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Report of the commissioner of
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1946

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CITY OF TORONTO *Treasury*

TREASURY DEPARTMENT



Annual Report

OF THE

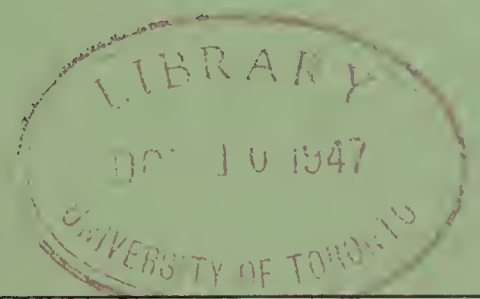
COMMISSIONER OF FINANCE

1946

AND

Summaries of the Activities of
Toronto Harbour Commissioners,
Toronto Hydro-Electric System and
Toronto Transportation Commission, etc.

(See Index—Page 3.)





*Acknowledgment of receipt
of this Report (for year 1946)
will be appreciated to ensure
delivery of Report for year 1947.*

With the Compliments of

TREASURY DEPARTMENT,
CITY HALL, TORONTO.

G. A. Lascelles

Commissioner of Finance

Government
Publications

CITY OF TORONTO

TREASURY DEPARTMENT



Annual Report

OF THE

COMMISSIONER OF FINANCE

1946

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Summaries of the Activities of
Toronto Harbour Commissioners,
Toronto Hydro-Electric System and
Toronto Transportation Commission, etc.

(See Index—Page 3.)



CITY HALL—ERECTED 1899

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Government
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CITY OF TORONTO, 1946

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MEMBERS OF THE CITY COUNCIL—1946

MAYOR

ROBERT H. SAUNDERS, C.B.E., K.C.

BOARD OF CONTROL

HIS WORSHIP THE MAYOR, Chairman

HIRAM E. McCALLUM, Vice-Chairman

STEWART SMITH

DAVID A. BALFOUR

KENNETH B. McKELLAR

ALDERMEN

WARD 1

WILLIAM E. MURDOCH
CHARLES A. WALTON

WARD 5

CHARLES SIMS
ARTHUR FROST

WARD 2

J. LOUIS SHANNON, K. C.
MRS. MAY BIRCHARD

WARD 6

HAROLD W. TIMMINS, K.C.
DEWAR FERGUSON

WARD 3

JOHN S. SIMMONS
(Deceased, March 7, 1946)
ALLAN A. LAMPORT
HAROLD F. FISHLEIGH
(Elected by Council, March 18, 1946)

WARD 7

WILLIAM H. BUTT, M.D.
EDWARD C. ROELOFSON

WARD 4

NATHAN PHILLIPS, K.C.
NORMAN FREED

WARD 8

WILLIAM H. COLLINGS
WALTER A. HOWELL

WARD 9

JOHN M. INNES, M.B.E.
MELVILLE W. WILSON

HEADS OF DEPARTMENTS—1946		Entered	Years in	Appoint-
(Arranged in the order of entering Civic Service)		Civic	Civic	ed Head
		Service	Service	of Dept.
J. W. SOMERS, O.B.E.....	City Clerk.....	1884	62	1928
C. E. CHAMBERS.....	Commissioner of Parks.....	1889	57	1912
W. GEO. FARLEY.....	Assessment Commissioner.....	1891	55	1929
GEO. SINCLAIR.....	Chief of the Fire Department	1895	51	1930
A. W. LAVER.....	Commissioner of Public Wel-			
(Deceased Dec. 22nd, 1946)	fare.....	1896	50	1931
K. S. GILLIES, M.R.A.I.C.....	Commissioner of Buildings.....	1905	41	1932
G. G. POWELL, B.A.Sc.....	Commissioner of Works and			
	City Engineer.....	1906	40	1945
G. D. BLAND.....	Property Commissioner.....	1909	37	1935
TRACY D. leMAY, O.L.S.....	City Surveyor.....	1910	36	1930
S. C. SCOTT, F.C.A.....	City Auditor.....	1912	34	1919
G. A. LASCELLES.....	Commissioner of Finance and			
	City Treasurer.....	1913	33	1941
G. P. JACKSON, M.B., D.P.H.....	Medical Officer of Health.....	1915	31	1929
H. D. BRADLEY.....	Street Commissioner.....	1916	30	1935
E. E. HUNT.....	Abattoir Commissioner.....	1916	30	1933
W. G. ANGUS, K.C.....	City Solicitor.....	1918	28	1943
JOHN CHISHOLM.....	Chief Constable.....	1920	26	1946

CITY OF TORONTO
DEBENTURE DEBT, DECEMBER 31st, 1946

See Details of Debenture Debt, Pages 32 and 35

GROSS DEBENTURE DEBT:		
Sinking Fund Debentures.....	\$17,526,887	
(Sinking Fund Reserve, \$16,074,252)		
Serial Instalment Debentures.....	54,630,658	\$72,157,545
DEDUCT:		
(1) SPECIALLY-RATED AND REVENUE-PRODUCING DEBTS		
AS FOLLOWS:		
Toronto Transportation Commission (See Page 48).....	\$ 9,329,000	
Toronto Hydro-Electric System (See Page 46).....	6,523,400	
Waterworks (See Page 43).....	16,511,789	
Local Improvements (Ratepayers' Share).....	1,333,697	
Canadian National Exhibition Buildings (See Page 40)....	785,200	
Airports—Municipal (See Page 45).....	702,000	
Royal Agricultural Winter Fair Buildings (See Page 40)...	319,000	
Island Ferry Service (under T.T.C. Operation).....	81,000	
Abattoir (See Page 42).....	78,000	
Less:	\$35,663,086	
Debt Redemption Funds on Above Debts:		
Sinking Funds.....	\$7,810,097	
For Instalment Debt Redemption.....	226,574	8,036,671
		\$27,626,415
Supporting the Public Utility debts are plants, properties and equipment of value in excess of the debts outstanding.		
(2) SINKING FUNDS (See page 38):		
On General and Education Debt (Including Realization Capital Funds, \$71,587).....	\$8,335,742	
On Special Debts.....	7,810,097	16,145,839
(3) FUNDS ON HAND FOR INSTALMENT DEBT REDEMPTION		
	226,574	43,998,828
NET GENERAL AND EDUCATION DEBT		\$28,158,717
The City owns lands and buildings of value in excess of Net General and Education Debt, in addition to taxing authority upon assessments totalling \$964,830,522.		

ASSESSMENT, ETC.

Assessed Value of Rateable Property (1947) for School purposes.....	\$964,830,522
Assessed Value of Rateable Property (1947) for General purposes.....	891,693,005
Exemptions not included in the foregoing.....	153,383,826
Revenue from general taxation, 1947 (net), as per Estimates, including estimated supplementary taxation.....	35,050,643
Revenue other than taxation, 1947, as per Estimates (including Provincial Government subsidy of one mill on General Assessment).....	8,681,862
Population, 1946.....	696,555
Area of City (Land and Water).....	25,966 acres
Tax Rate for 1947.....	38.10 mills

ANNUAL REPORT
of the
Commissioner of Finance
of the
City of Toronto
1946

Toronto, June 30th, 1947.

His Worship, Mayor Robert H. Saunders, C.B.E., K.C.,
And Members of the Council of the City of Toronto.

Dear Sirs:

I beg to submit the Annual Report on the financial affairs of the Corporation of the City of Toronto for the year ended December 31st, 1946, including Balance Sheet and Condensed Statement of Revenue and Expense as audited and certified by the City Auditor. In order to facilitate study of the information herein, particularly by persons not connected with the City administration, it may be of value to again outline briefly the scope of this Report, including comments as to the administrative organization within which City business as a whole is conducted.

The business of the City, from the standpoint of financial responsibility and reporting, is under the jurisdiction of three separately elected bodies, viz.: City Council, Board of Education and Separate School Board, and the following more or less independent Boards and Commissions: Toronto Electric Commissioners, Toronto Transportation Commission, Toronto Harbour Commissioners, Toronto Public Library Board, Canadian National Exhibition Association and Royal Agricultural Winter Fair Association (see pages 40 to 49 for further information).

As general obligation debentures of the City are issued to raise the capital requirements of the above bodies with the exception of the Separate School Board and the Toronto Harbour Commissioners (these two Boards issuing their own debentures), therefore the respective outstanding debenture debts, sinking funds against these debts, and the corresponding permanent assets are included in the City's Balance Sheet. Principal and interest charges incidental to all City debenture debts are included in the City's expenditure statement with the exception of (a) those in respect of debt issued on account of the Toronto Hydro-Electric System and the Toronto Transportation System, which are wholly and specifically met by these respective enterprises and the operating results of which do not enter into the City's revenue and expenditure account, and (b) those in respect of debt issued for the ratepayers' share of local improvements, which are specially provided for by frontage assessment against the proper-owners directly benefited.

Maintenance expenditures of the Board of Education, Separate School Board and the Public Library Board are included in the City's expenditure statement to the extent of the taxes levied on their behalf. In the case of the Toronto Harbour Commissioners, the debentures of which are guaranteed by the City, only the amounts met by the City each year by reason of such guarantee are included in the City's expenditure. The City maintains generally the grounds and buildings of the Canadian National Exhibition and of the

Royal Agricultural Winter Fair Associations and only to this extent are the maintenance expenses of these services included in the City's expenditures. The annual operating surplus of the Canadian National Exhibition is paid over to the City.

It is evident, therefore, that current expenditures as reported herein represent those amounts which have been met by General and Education tax levies and all revenues other than taxation derived by the City. It should be pointed out that revenues and expenditures are accounted for on the accrual basis rather than on a cash basis, i.e., revenues for the fiscal year are recorded in the accounts as they are earned, rather than as received and expenditures as they are incurred, rather than as payment is made. The accrual basis of accounting gives an accurate presentation of both revenues and expenditures for the fiscal year, permitting a true comparison with those of other years, and provides the essential relationship between operating accounts and a proper Balance Sheet position at the end of the fiscal year. In this latter presentation there is exhibited, in clear and concise form, in accordance with the best accepted business practice, the financial position of the City, showing (1) the current assets, which are of a liquid or substantially liquid nature and which mainly have arisen in the ordinary course of business, (2) the capital assets, which are of a fixed and permanent nature and have been acquired or constructed for continuing use, (3) the current liabilities, which require liquidation in the near future and have also arisen in the ordinary course of business, and therewith the current reserves and surplus, which have a direct bearing on the current assets and (4) the capital liabilities, which represent mostly debenture borrowings for permanently financing the capital assets and therewith the capital reserves, which have mainly arisen by reason of the annual provision for redemption of the debenture debt. The Report has been prepared with a view to inviting examination of its contents, furnishing only sufficient detail to assure a proper understanding of the City's business and a true appraisal of its financial position.

SUMMARY OF YEAR'S BUSINESS, 1946

Expenditure		Revenue	
Common Welfare Services....	\$34,885,810	Taxation.....	\$31,048,163
Special Services.....	4,603,925	Provincial Government—	
Surplus—1946.....	18,467	Subsidy of One Mill on	
		General Assessment.....	881,395
		Grant in lieu of Corpora-	
		tion Business Tax.....	160,000
		Special Services.....	4,510,347
		Miscellaneous Services.....	2,880,898
		Surplus brought forward	
		from 1945.....	27,399
	\$39,508,202		\$39,508,202

Special Services include—Waterworks (p. 43), Toronto Harbour Commissioners (p. 44), Canadian National Exhibition and Royal Agricultural Winter Fair (p. 40), Municipal Abattoir (p. 42), Civic Airports (p. 45) and Island Ferry Service.

Tax Rate and Operating Result, 1946

The total tax rate for 1946 was 34.15 mills for Public School Supporters and 37.70 mills for Separate School Supporters, compared with 31.45 mills and 34.60mills, respectively,

Tax Rate and Operating Result, 1946 (Continued)

in 1945. The composition of these rates was as follows:

<u>Levied for</u>	<u>Public School Supporters</u>		<u>Separate School Supporters</u>	
	Mills		Mills	
	1945	1946	1945	1946
General Purposes.....	21.70	24.70	21.70	24.70
Board of Education:				
Primary Schools.....	6.15	5.75	.....	.....
Secondary Schools.....	3.60	3.70	3.60	3.70
	9.75	9.45	3.60	3.70
Separate School Board:				
Primary Schools.....	.....	.....	9.30	9.30
Total Tax Rate.....	31.45	34.15	34.60	37.70

As the expenditures of the Board of Education, Separate School Board and Public Library Board included in the City's statement represent simply the taxes levied on their behalf, no surpluses or deficits on their account are reflected in the City's operating result which, accordingly, relates only to the general tax rate. From the foregoing Summary of Year's Business, it will be observed that 1946 operations resulted in a surplus of \$18,467. In this connection, however, it should be noted that due to the fact that revenue for the year was \$882,826 in excess of the amount anticipated at the time of the adoption of the Estimates (chiefly from Court Fines and Fees, Taxation, sale of Tax Sale Lands and Interest) and that certain expenditures (chiefly on account of the Police, Health, Works and Parks Departments, guarantee of Harbour Commissioners' debt charges, City's debt charges and cost of Foreign Exchange) were \$505,885 below estimate it was possible to provide for non-estimated expenditures of \$1,370,244 as follows:

Provision for Doubtful Accounts (including \$320,000 Provincial Government Grants in lieu of a Corporation Business Tax, 1945-1946, not received).....	\$363,200
Street Cleaning Department (on account of Refuse Collection, Snow Clearance, and Street Flushing).....	274,033
Welfare Department (on account of Direct Relief, Children's Aid Societies, Day Nurseries, etc.).....	238,803
New Motor Vehicle and other Equipment—one-fifth of cost of \$835,850 (chiefly Street Cleaning Department and Fire Department motor equipment).....	167,170
Emergency Housing.....	132,356
Sundry—Toronto and York Roads Commission, Courts, Track Allowance Pavements, etc.....	194,682

Current Expenditures (See Statements—Pages 27 and 28)

The following statement permits a broad comparison of the City's current expenditures in 1946 with those in the previous year and in 1938, the last pre-war year.

Particulars	Current Expenditures			Decrease (D) or Increase (I) 1946 compared with	
	1938 (Last Pre-War Year)	1945	1946	1938	1945
General:					
Maintenance					
Ordinary.....	\$13,020,890	\$15,897,937	\$19,397,654	\$6,376,764 I	\$3,499,717 I
Exchange.....	93,473	115,477	102,805	9,332 I	12,672D
Statutory-Welfare	1,459,447	1,258,911	1,346,966	112,481D	88,055 I
Direct Relief.....	971,376	670,010	789,694	181,682D	119,684 I
Debt Charges					
Ordinary.....	5,298,304	4,294,578	4,071,176	1,227,128D	223,402D
Direct Relief.....	2,485,856	.....	.....	2,485,856D	.....
Special Services:					
Maintenance.....	2,257,682	2,390,965	2,488,202	230,520 I	97,237 I
Debt Charges.....	2,507,479	2,139,459	2,115,723	391,756D	23,736D
	\$28,094,507	\$26,767,337	\$30,312,220	\$2,217,713 I	\$3,544,883 I
Education:					
Maintenance.....	9,495,577	7,675,412	7,525,295	1,970,282D	150,117D
Debt Charges.....	1,889,764	1,722,963	1,652,220	237,544D	70,743D
Total.....	\$39,479,848	\$36,165,712	\$39,489,735	\$ 9,887 I	\$3,324,023 I

It will be observed that current expenditures in 1946 were approximately the same in total as those of 1938 although \$3,324,023 over those of 1945. Upon analysis it will be found that an increase in maintenance expenditures of \$4,352,171 over those of 1938 was offset to the extent of \$4,342,284 by decreased debt charges and that \$3,641,904 of the increase in maintenance was experienced in 1946. Since, however, the expenditures of the Board of Education and the Separate School Board included therein represent the net amount to be raised by taxation, the increased educational grants received by these Boards from the Provincial Government in 1945 and 1946 require particular mention in this regard. These grants in 1946 amounted to \$3,826,614 as compared with \$3,653,216 in 1945 and \$606,736 in 1938. It is apparent then, upon reference to the above statement, that Education maintenance in 1946, before deduction of these grants, was \$1,249,596 above that of 1938 and about the same as in 1945. Current expenditures in 1946, exclusive of Education, it will be seen from the above statement, were \$2,217,713 above those of 1938 and \$3,544,883 over those of 1945. Again upon further analysis, it will be noted that increased maintenance of \$6,322,453, as compared with 1938, was offset to the extent of \$4,104,740 by decreased debt charges. Furthermore, the increase of \$6,322,453 in maintenance was to the extent of \$3,792,021 due to increased maintenance in 1946. While, of course, the increases in maintenance expenditures is chiefly due to present higher costs for personal services and purchases of materials, reflected principally in the Street Cleaning, Works, Fire, Police and Health

Current Expenditures (Continued)

Departments, certain other factors have quite considerably contributed to such increases. Some of these factors are considered hereunder:

1. As Municipal expenditures, to a great extent, are directly or indirectly determined by population, it is worthy of note that the population of the City has increased from 647,803 in 1938 to 696,555 in 1946, or by 48,752.

2. The effecting in 1946 of the 56-hour in lieu of the 72-hour week in the Fire Department, of course, required more personnel. The total strength of the force of slightly over 660 in 1938 and 1945 was increased to 843 in 1946. It may be noted also at this point that the total strength of the Police Force, which was 1,021 in 1939 and 1,003 in 1945, increased to 1,101 in 1946.

3. In 1943 a contributory Pension Plan for Civic and Library Board employees was established through the Annuities Branch of the Dominion Government. Prior to that time annual retiring allowances had been paid by appropriations in the respective year for the cash payments required. When the Pension Plan was instituted it became necessary not only to provide each year for the current year's service obligations, but also in 1943 and during a determinate number of future years to provide for the past service liability for which no provision had been made in past years. It is true that annual retiring allowances to which the City had become obligated under the old plan in past years have decreased from about \$200,000 in 1938 to about \$150,000 in 1945 and \$130,000 in 1946, but the new Pension Plan entailed an expenditure of \$377,961 in 1945 and \$502,663 in 1946. It should be added that the present Pension Plan recognizes the obligation to provide for future pensions during the years in which service is rendered and that eventually the City's annual cost on this account will be smaller, through interest credits, than if the same pensions had been provided under the old plan.

4. An Actuarial Report on the Firemen's Benefit Fund, secured in 1945, disclosed a large actuarial deficiency which, to a considerable extent, had resulted from the reduction in investment interest rates obtainable. In order to restore and maintain the actuarial solvency of the Fund the City undertook, after the members had agreed to certain benefit adjustments which reduced the deficit, to pay into the Fund each year an amount equivalent to the members' contributions and an annual grant of \$47,000 a year for 30 years. The additional cost to the City in 1946 (i.e., over the existing annual grant of \$27,300—1918-1947) was \$179,035.

5. Under 1938 legislation, the City is required to provide after-care for indigent tuberculosis patients upon discharge from sanatoria, although at that time it was relieved of the cost of hospital care of such patients. While the cost in 1938 was only \$313.00 it had risen to \$69,889 in 1945 and \$90,471 in 1946.

6. The City's cost of maintaining Toronto children made wards of Children's Aid Societies (a statutory obligation) was \$466,894 in 1946 compared with \$414,428 in 1945 and \$275,175 in 1938.

7. During the past three years the City has provided emergency housing which, with the respective maintenance costs, entailed current expenditures of \$341,852 in 1944, \$251,618 in 1945 and \$439,573 in 1946. (Note Services to Veterans' Housing Project under Capital Authorizations, page 18, and Rentals, page 13.)

8. New Welfare services, namely Day Nurseries and Day Care Centres and Noon-day Meals, instituted during 1946, entailed a net cost in that year of \$67,289.

9. While the maintenance cost for Community Centres amounted to only \$16,190 in 1945, the respective expenditure involved in 1946 was \$99,758.

Current Expenditures (Continued)

10. The cost of snow clearing in 1946 was \$401,860 compared with only \$67,038 in 1938. Due to the abnormally heavy snowfall in December, 1944, the 1945 expenditure amounted to \$516,353.

11. The net expenditure of the Library Board in 1946 was \$694,004, compared with \$618,858 in 1945 and \$486,061 in 1938, representing increases of \$75,146 and \$207,943, respectively.

12. In the Estimates of 1946 an amount of \$835,850 for new motor vehicle and other equipment (chiefly Street Cleaning Department and Fire Department motor equipment) was authorized for debenturing. One-fifth of this cost, however, (i.e., \$167,170) was met in 1946 as a current expenditure.

13. Provision was made in 1946 for doubtful accounts of \$363,200, including \$320,000 Provincial Government grants not received in lieu of a Corporation Business Tax (i.e., \$160,000 for each of the years 1945 and 1946).

Current Revenues (See Statement—Page 29)

Total current revenues in 1946 amounted to \$39,480,803, of which \$31,048,163, or about 79%, was derived from taxation. The balance was derived chiefly from water rates; court fines and fees; rentals of City properties; license, permit and inspection fees; sales of lands acquired through non-payment of taxes; Municipal Abattoir operations; and Government grants (exclusive of educational grants—paid directly to respective boards).

A summary comparison of 1946 revenues with those of 1945 and 1938 is shown in the following statement.

Source	Current Revenues			Decrease (D) or Increase (I) 1946 compared with	
	1938 (Last Pre-War Year)	1945	1946	1938	1945
Taxation.....	\$33,130,670	\$28,470,305	\$31,048,163	\$2,082,507D	\$2,577,858 I
Ontario Government Subsidy (1 mill)....	898,797	876,758	881,395	17,402D	4,637 I
Grant in lieu of Corporation Business Tax....	.....	*160,000	*160,000	160,000 I	.....
General—Licenses, Rentals, etc.....	1,889,538	2,188,035	2,880,898	991,360 I	692,863 I
Special Services.....	3,751,896	4,498,013	4,510,347	758,451 I	12,334 I
Total Current Revenue.....	\$39,670,901	\$36,193,111	\$39,480,803	\$ 190,098D	\$3,287,692 I
Add:					
Surplus available from previous year	+ 216,210	.....	+ 27,399	188,811D	27,399 I
Reserve for Deferred Expenditure—available from previous year.....	+ 22,654	.....	.....	22,654D	.....
Total.....	\$39,909,765	\$36,193,111	\$39,508,202	\$ 401,563D	\$3,315,091 I
<u>Reconciliation with Current Expenditures</u>					
Deduct:					
Surplus available to following year.....	— 429,917	— 27,399	— 18,467	.....	.....
	\$39,479,848	\$36,165,712	\$39,489,735	.....	.....

* See reference, item 13 of Current Expenditures above.

Current Revenues (Continued)

As the amount levied by taxation in any year represents the balance of funds required to meet expenditures after application of all revenues other than taxation, it is obvious that the taxation revenue in each of the years compared herein reflects not only the changes in expenditures in those years but also all changes in the respective revenue items other than taxation shown in this statement, as well as in the Provincial Government educational grants received by the Board of Education and the Separate School Board commented upon previously in this report. (Page 10.)

General revenues other than taxation, it will be seen, were \$991,360 and \$692,863 larger in 1946 than in 1938 and 1945 respectively. The following revenue items contributed chiefly to these increases:

	1938	1945	1946
Police and Family Court Fines and Fees.....	\$275,183	\$364,851	\$749,629
Proceeds from sales of lands acquired through non-payment of taxes.....	4,209	286,267	255,033
Rentals from Emergency Housing.....		87,308	227,891

Special Services revenues in 1946 were to the extent of over 91% derived from operation of the Waterworks System, the revenue of which in 1946 amounted to \$4,119,450, as compared with \$3,322,061 in 1938 and \$4,052,335 in 1945.

Net Operating Results of Special Services (See Pages 40 to 45)

The following statement gives the net operating results (including debt charges) of Special Services in 1946, as compared with the previous year and with 1938.

Special Services	Net Surplus (S) or Deficit (D)		
	1938 (Last Pre- War Year)	1945	1946
Abattoir.....	\$ 1,994S	\$ 19,528S	\$ 7,101S
Airports.....	675D	39,648D	73,146D
Canadian National Exhibition.....	140,255D	* 135,276D	178,471D
Royal Agricultural Winter Fair.....	82,570D		
Island Ferry Service.....	37,773D	50,127D	51,000D
Toronto Harbour Commissioners.....	644,930D	537,760D	518,284D
Waterworks.....	118,115S	710,872S	720,222S
	\$ 786,094D	\$ 32,411D	\$ 93,578D
Housing Commission.....	† 7,252D	.....	.....
Radial Railways.....	† 219,919D	.....	.....
Net Cost to City Taxpayers.....	\$1,013,265D	\$ 32,411D	\$ 93,578D

* Buildings and Grounds were under continuous occupation by the Armed Forces from 1942. See pages 40 and 41.

† On account of debt charges, respective debt retired 1940.

Net Operating Results of Special Services (Continued)

Upon reference to the previous comment on current revenues it will be observed that the increases in revenue of the Waterworks System more than accounts for the respective increased surplus in 1946, in comparison with those in both 1938 and 1945.

The deficit with respect to the operations of the Harbour Commissioners represents the net cost under the guarantee by the City of Harbour debenture debt. As the City's accounts only include the net operating result the changes in Harbour revenues and expenditures are not evident in this report. The fact is, however, that after providing for debenture maturities and interest charges approximately \$300,000 larger than in 1938, due to refinancing of debenture maturities of \$5,000,000 in 1942 and \$625,000 in 1945 on a basis of repaying equal annual debenture maturities from the respective year's current revenues, Harbour revenues had increased to such an extent that the net requirements from the City were \$126,646 less in 1946 than in 1938.

The 1945 and 1946 cost to the City with respect to Airports arose as follows:

	<u>1945</u>	<u>1946</u>
Principal and interest charges with respect to City debentures issued therefor in 1938 and 1940.....	\$67,524	\$67,179
Operations excluding debt charges:		
Malton.....	Surplus \$47,876	Surplus \$ 606
Island.....	Deficit 20,000	Deficit 6,573
Net.....	Surplus 27,876	Deficit 5,967
	<u>\$39,648</u>	<u>\$73,146</u>

It should be noted that the 1945 surplus on Malton operations was almost wholly attributable to revenue from test flight fees with respect to aircraft produced for war purposes.

Tax Collections

Upon examination of the following statement it will be noted that although the current tax levy in 1946 was \$2,529,397 larger than in 1945 the percentage collected in 1946 was only slightly under that in 1945 or 96.0% as compared with 96.4%. The approximate maintenance of the 1945 percentage involved the collection in 1946 of \$2,332,862 more taxes than in 1945.

Of the total taxes delinquent at the beginning of 1946, viz.: \$1,511,539, collections in the year amounted to \$1,098,160 or 72.6% as compared with 74.5% in 1945.

In view of the adjustments in general economic conditions experienced in the year following the termination of the war, and the considerable increase in the amount of the tax levy, collections in 1946 were very satisfactory but indicate the advisability of very carefully considering present and immediate future collections as undoubtedly the most reliable and sensitive index of the ability of the ratepayers generally to carry present or assume further obligations.

TAX LEVIES AND COLLECTIONS 1933-1946

Fiscal Year ended Dec. 31st	Current Levy (including Special Rates)	Collected or Credited on account of Current Levy		Collected or Credited on Account of Prior Years' Tax Levies	Total Collected or Credited		Accumulated Delinquent Taxes as at Dec. 31st	
		Amount	%		Amount	% of Current Levy	Amount	% of Current Levy
	\$	\$		\$	\$		\$	
1933	36,378,545	28,138,143	77.3	6,309,152	34,447,295	94.7	12,065,416	33.2
1934	34,903,843	27,479,626	78.7	8,025,908	35,505,534	101.7	11,463,725	32.8
1935	35,521,338	29,190,281	82.2	7,746,393	36,936,674	104.0	10,048,389	28.3
1936	34,618,721	29,075,585	84.0	6,707,321	35,782,906	103.4	8,884,204	25.7
1937	35,215,926	30,072,685	85.4	6,258,968	36,331,653	103.2	7,768,477	22.1
1938	35,269,096	30,572,091	86.7	5,522,983	36,095,074	102.3	6,942,499	19.7
1939	33,846,017	29,911,824	88.4	4,865,757	34,777,581	102.8	6,010,935	17.8
1940	33,688,004	30,177,973	89.6	4,352,399	34,530,372	102.5	5,168,567	15.3
1941	32,375,127	29,794,320	92.0	3,855,168	33,649,488	103.9	3,894,206	12.0
1942	30,497,084	28,589,045	93.7	2,831,193	31,420,238	103.0	2,971,052	9.7
1943	29,635,942	28,187,980	95.1	2,093,567	30,281,547	102.2	2,325,447	7.8
1944	30,492,375	29,232,661	95.9	1,740,698	30,973,359	101.6	1,844,463	6.0
1945	28,696,431	27,654,723	96.4	1,374,632	29,029,355	101.2	1,511,539	5.3
1946	31,225,828	29,987,585	96.0	1,098,160	31,085,745	99.6	1,651,622	5.3

Debenture Debt (See Statements—Pages 32, 35 and 37)

Gross Debenture Debt as at December 31st, 1946, amounted to \$72,157,545 compared with \$83,244,259 at the end of 1945 and a peak debt of \$195,064,861 at the end of 1932. Since 1938, the last pre-war year, the gross debenture debt has been reduced from \$158,556,185 to \$72,157,545—a net reduction of \$86,398,640, or 54%, in 8 years. It should be noted that of the total debenture debt, amounting to \$72,157,545 at the end of 1946 \$35,663,086 was for revenue-producing Special Services and owners' portion of Local Improvements, leaving \$36,494,459 gross General and Education Debt. After deduction of accumulated sinking funds of \$8,335,742 held against the latter, Net General and Education Debt amounted to only \$28,158,717, which compares with \$33,105,264 at the end of 1945 and \$63,764,868 at the end of 1938. During the year, \$7,077,345 City debentures were redeemed at maturity and \$4,354,700 were redeemed before maturity. In this connection it may be pointed out that the City, in addition to meeting all of its maturing obligations, has, since 1919, redeemed \$47,109,058 debenture debt before maturity, through purchases by the Sinking Fund and subsequent cancellation of such debt, by the application of the additional earnings of the Fund over actuarial requirements, together with the respective actuarial accumulations and unrequired capital funds. As a result of this policy debt charges in 1946, alone, were \$1,355,069 lower than would otherwise have been required. Of this amount, \$1,132,805 relieved the tax rate of 1946 and \$222,264 reduced the debt charges of the Toronto Hydro-Electric System and the Toronto Transportation Commission. (See page 39.)

Debenture Debt (Continued)

With the exception of the comparatively minor amount of \$345,331 Local Improvement debentures sold to the Sinking Fund, no new City debenture debt was created in 1946. In February, 1947, however, the following serial instalment debentures were sold by public tender:

Amount	Coupon Interest Rate	Maturity of Instalments
\$2,519,000.....	2%	1948-1952
2,061,000.....	2 $\frac{1}{4}$ %	1953-1957
1,474,000.....	2 $\frac{1}{2}$ %	1958-1962
2,877,000.....	2 $\frac{3}{4}$ %	1963-1972
<hr/> \$8,931,000 <hr/>		

The City's high credit rating is indicated by the fact that this issue was sold at a price of 101.568 representing an effective average interest cost of only 2.38% per annum. Seven bids were received on behalf of thirty-two investment banking companies and chartered banks and the difference between the highest and lowest of the first six bids represented a difference of only 3/100ths of 1% in the effective average interest cost basis.

Sinking Fund (See Statements—Pages 32 and 38)

The total debenture debt at December 31st, 1946, of \$72,157,545, was composed of:
 \$17,526,887 debenture loans, maturing 1948, 1949, 1953 and 1955, for the full redemption of which Sinking Funds are being accumulated
 and \$54,630,658 debenture loans, maturing in instalments 1947-1970, the funds for the redemption of which will be provided annually as required from tax and other general revenues and revenues of Special Services (Toronto Hydro-Electric System, Toronto Transportation Commission, Waterworks, etc.).

Against the Sinking Fund plan debt of \$17,526,887 the Sinking Funds at the end of 1946 amounted to \$16,145,839 which, including \$71,587 Realization Capital Funds on deposit therein, was \$195,313 over the actuarial amount required on the basic interest rate of 3% per annum. Additional earnings over the said basic rate, to the extent of \$148,071, were applied in 1946 in the redemption before maturity of \$4,354,700 of debenture debt.

The following statement indicates the very high-grade securities held as investments by the Sinking Fund.

Security	Par Amount Held	% of Whole	Sinking Fund Book Value	% of Whole
Debentures:				
City of Toronto.....	\$ 6,674,042	42.0%	\$ 6,828,011	43.1%
Dominion of Canada Victory Loans.....	8,800,000	55.4%	8,580,909	54.2%
Province of Ontario.....	325,500	2.0%	336,429	2.1%
Province of Quebec.....	100,000	.6%	99,761	.6%
Total Investments.....	\$15,899,542	100%	\$15,845,110*	100%
*Before deduction of \$136,892 re investment adjustments in suspense.				

Capital Authorizations Affecting General Taxation

Capital improvements during a period of about twelve years, i.e., during the Depression and the War, were restricted to minimum requirements. The increased authorizations during the past three years, as indicated in the following statement, must be considered to a large extent, therefore, as the accumulation of many works which under normal conditions probably would have been authorized and proceeded with during the previous twelve years.

CAPITAL AUTHORIZATIONS 1938-1946 AFFECTING GENERAL TAXATION

(Exclusive of Toronto Hydro-Electric System, Toronto Transportation Commission and Ratepayers' Share of Local Improvements)

Year	General Works	Schools	Direct Unemployment Relief	Total
	City's Share Local Improvements, Bridges, Parks, etc.		City's Share of Expenditure—Funded (See page 36)	
1938	\$ 304,356	\$479,000	\$1,603,856	\$2,387,212
1939	383,459	283,000	1,218,277	1,884,736
1940	(a) 5,825,000	.....	(b) 250,000	6,075,000
1941	239,390	.....	.....	239,390
1942	287,010	.....	.....	287,010
1943	(c) 40,078	.....	.....	40,078
1944	1,342,595	450,369	.....	1,792,964
1945	4,122,710	230,340	.....	4,353,050
1946	(d) 13,089,833	402,291	.....	13,492,124
Total	\$25,634,431	\$1,845,000	\$3,072,133	\$30,551,564

(a) Includes \$5,600,000 for New Main Sewage Treatment Plant and Appurtenances approved by direct vote of City property-owners on January 1st, 1940.

(b) Excludes \$19,295 intended to be funded but transferred to Current Account and provided for in 1943 Tax Rate.

(c) Excludes \$1,457,308 authorized in 1943 for debenturing of excess land acquired in past years in connection with various general and local improvement works.
Excludes \$5,000,000 debentures issued in February, 1947, on account of past service liability of Civic Employees' Pension Plan established in 1943.

(d) Includes \$2,259,606 for Don Valley Roadway and \$3,200,922 for Clifton Road Subway and Extension (former and subway re latter approved by direct vote of City property owners on January 1st, 1946).

Of these capital authorizations, the following were unfunded as at May 31st, 1947:

Pavement widenings, gradings, sewers, etc.:

Don Valley Roadway (approved by Ratepayers January 1st, 1946).....\$2,259,606

Clifton Road—

Subway and approaches (approved by Ratepayers January 1st, 1946).....\$1,032,000

Extension to Jarvis Street (authorized 1946 on recommendation of City Planning Board..... 2,168,922

3,200,922

Sundry—Jarvis Street, Dupont Street, Eastern Avenue, Lakeshore Blvd., Lansdowne Avenue, Beverley Street, Jameson Avenue, Annette Street, Carlaw Avenue, Parliament Street, etc. (authorized 1945-1946)..... 3,691,674

Carried Forward..... \$ 9,152,202

Capital Authorizations Affecting General Taxation (Continued)

Brought Forward.....	\$ 9,152,202
Grants:	
Sick Children's Hospital (Building), authorized 1946.....	\$1,000,000
Mount Sinai Hospital (Building), authorized 1946.....	300,000
Toronto Branch, War Amputations of Canada (Memorial), authorized 1946.....	300,000
Grace Hospital, Salvation Army (Building), authorized 1944.....	150,000
Children's Aid Society (Building), authorized 1946.....	150,000
Sunnybrook Hospital (New Chapel), authorized 1946....	50,000
	1,950,000
New Main Sewage Treatment Plant (approved by Ratepayers January 1st, 1940)—Balance after funding \$1,000,000 in 1943, \$1,500,000 in 1945, and \$2,000,000 in 1947.....	1,100,000
Schools (Additions, etc.), authorized 1944-1946.....	1,083,000
Watermains (including \$980,000 re North Toronto Water Supply), authorized 1946.....	991,588
City Buildings (authorized in 1946):	
Dominion Building (Bay and Albert Streets—expropriation).....	\$ 500,000
Sundry—New Elevator (City Hall), Police and Fire Station (Keele Street), St. Lawrence Market, etc....	123,000
	623,000
Parks and Playgrounds (including Island Shore Protection), authorized 1945-1946.....	575,998
Street Cleaning Fire, and other equipment (balance after \$334,340 met as Current 1946-1947), authorized 1946.....	501,510
Public Libraries (Yonge Street and Lawrence Avenue; Ward 2; and Yonge Street and St. Clair Avenue District), authorized 1944-1946.....	460,000
Local Improvements (City's Share), authorized 1943-1946.....	267,093
Services to Veterans' Housing Project (balance after funding of \$300,000 in 1945 and \$600,000 in 1947), authorized 1945.....	249,492
Sundry (authorized 1945-1946) Construction Equipment, Department of Works, Welfare—remodelling of Seaton House, and property acquisitions on Jarvis and Carlton Streets.....	262,000
	\$17,215,883

It should be noted that the foregoing statement of capital authorizations, 1938-1946, does not include an estimated \$3,900,000 for the second stage of the New Main Sewage Treatment Plant (First stage—\$5,600,000 included in 1940 authorizations) nor any estimate of the City's share of a \$9,000,000 programme of Grade Separations approved in principle by City Council in 1945 (\$1,319,976 for Subway on Woodbine Avenue north of Gerrard Street authorized 1947 subject to approval of City Planning Board). Furthermore, the following additional capital expenditures have been authorized in 1947, or approved in principle in 1945-1947:

Regent Park Housing Project (North), approved by Ratepayers, January 1st, 1947.....	\$ 5,900,000
Combined New Police Administration Building and Courts (exclusive of land).....	5,200,000
Carried Forward.....	\$11,100,000

Capital Authorizations Affecting General Taxation (Continued)

Brought Forward.....	\$11,100,000
Pavement widenings, sewers, etc.—Dufferin Street, University Avenue and Queen's Park, Yonge Street, College Street, Duplex Avenue and Jedburgh Road, Sherbourne Street, Woodbine Avenue, etc.....	4,458,082
New Grand Stand, Exhibition Park.....	2,433,000
Schools—Additions.....	2,057,000
New Civic Square, approved by Ratepayers, January 1st, 1947.....	2,000,000
Parks and Playgrounds—Keating Street (land), Fred Hamilton, Pape Avenue, Moss Park and East Riverdale (buildings); Swimming Pools, etc.....	1,824,277
Isolation Hospital (new buildings).....	1,400,000
Street Cleaning, Fire and Police Stations, etc.....	841,000
Exhibition Buildings—Improvements, etc.....	553,420
Home for Aged.....	500,000
Island Ferry Boat.....	265,000
Detention Home (building).....	200,000
Toronto and York Roads—City's Share.....	189,119
Toronto East General Hospital (building grant).....	150,000
Sundry—Waterworks, etc.....	127,530
	<u>\$28,098,428</u>

The above survey of proposed capital expenditures indicates future debenturing of \$52,214,000, which on the basis of 5, 10 and 20 year repayment periods (i.e., according to the purpose of each such expenditure) would involve an aggregate average **annual** cost of \$4,610,000 to redeem the debentures and pay the respective interest charges. The following distribution of this capital programme as to periods for repayment has been adopted herein as a basis for estimating the respective annual debt charges:

<u>Proposed Capital Expenditures</u>	<u>Term for Repayment of Debentures</u>	<u>Estimated Average Annual Debt Charges (Principal and Interest)</u>
\$ 2,877,000.....	5 years	\$ 610,000
16,124,000.....	10 years	1,819,000
33,213,000.....	20 years	2,181,000
<u>\$52,214,000</u>		<u>\$4,610,000</u>

The full annual cost of \$4,610,000 would only come into effect, of course, if the whole of the \$52,214,000 was debentured before any specific loan included therein was completely repaid and the debt charges to be met in any particular year will depend upon when actual construction of each of the constituent works is undertaken, completed and debentured.

Capital Authorizations Affecting General Taxation (Continued)

Future regular reductions in debt charges with respect to present existing debenture debt (exclusive of any reductions which may be effected through the redemption of debt before maturity) which will serve to offset the effect on the tax rate of debt charges incidental to this proposed capital programme, will be approximately as follows:

<u>Year</u>	<u>Reduction compared with Previous Year</u>	<u>Aggregate Reduction compared with 1946</u>
1947.....	\$ 396,000	\$ 396,000
1948.....	65,000	461,000
1949.....	876,000	1,337,000
1950.....	554,000	1,891,000
1951.....	736,000	2,627,000
1952.....	364,000	2,991,000
1953.....	1,027,000	4,018,000
1954....	458,000	4,476,000
1955.....	212,000	4,688,000
1956.....	143,000	4,831,000
1957.....	307,000	5,138,000

It will be observed that the proposed capital programme in itself will not entail further increases in the tax rate providing the actual construction of the constituent works is proceeded with in such manner that the respective annual debt charges will come into effect only as and to the approximate extent of the future reductions in debt charges with respect to the present existing debt.

In this connection, however, it is very essential to note that maintenance expenditures (i.e., exclusive of debt charges) have increased since 1938 by over \$4,300,000 even after the abatement of such 1946 expenditures by approximately \$3,200,000 larger Provincial Government grants on account of the costs of education.

In view of this large increase in maintenance expenditures since 1938 and the uncertainties as to immediate future general economic conditions it cannot be too strongly urged that actual construction commitments with respect to capital works be entered into only after very careful consideration of the annual financial burdens involved with due consideration of the urgency and need of each such work in relation to every other capital improvement included in the proposed programme.

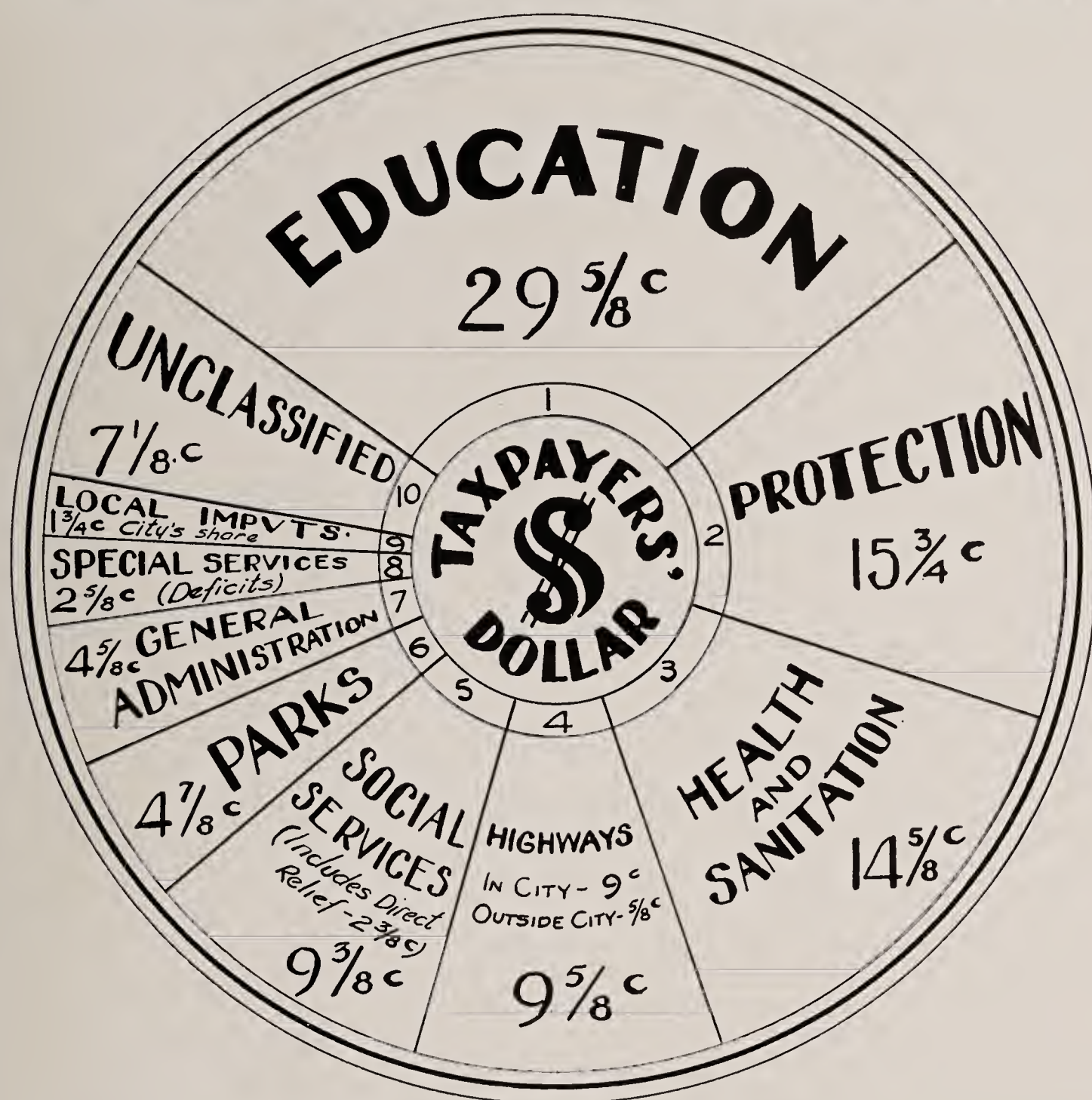
Respectfully submitted,



COMMISSIONER OF FINANCE.

How each \$1.00 of Revenue from General Taxation was Expended in 1946

(Exclusive of Amount Raised by Taxation for Owners' Portion of Cost of Local Improvements)

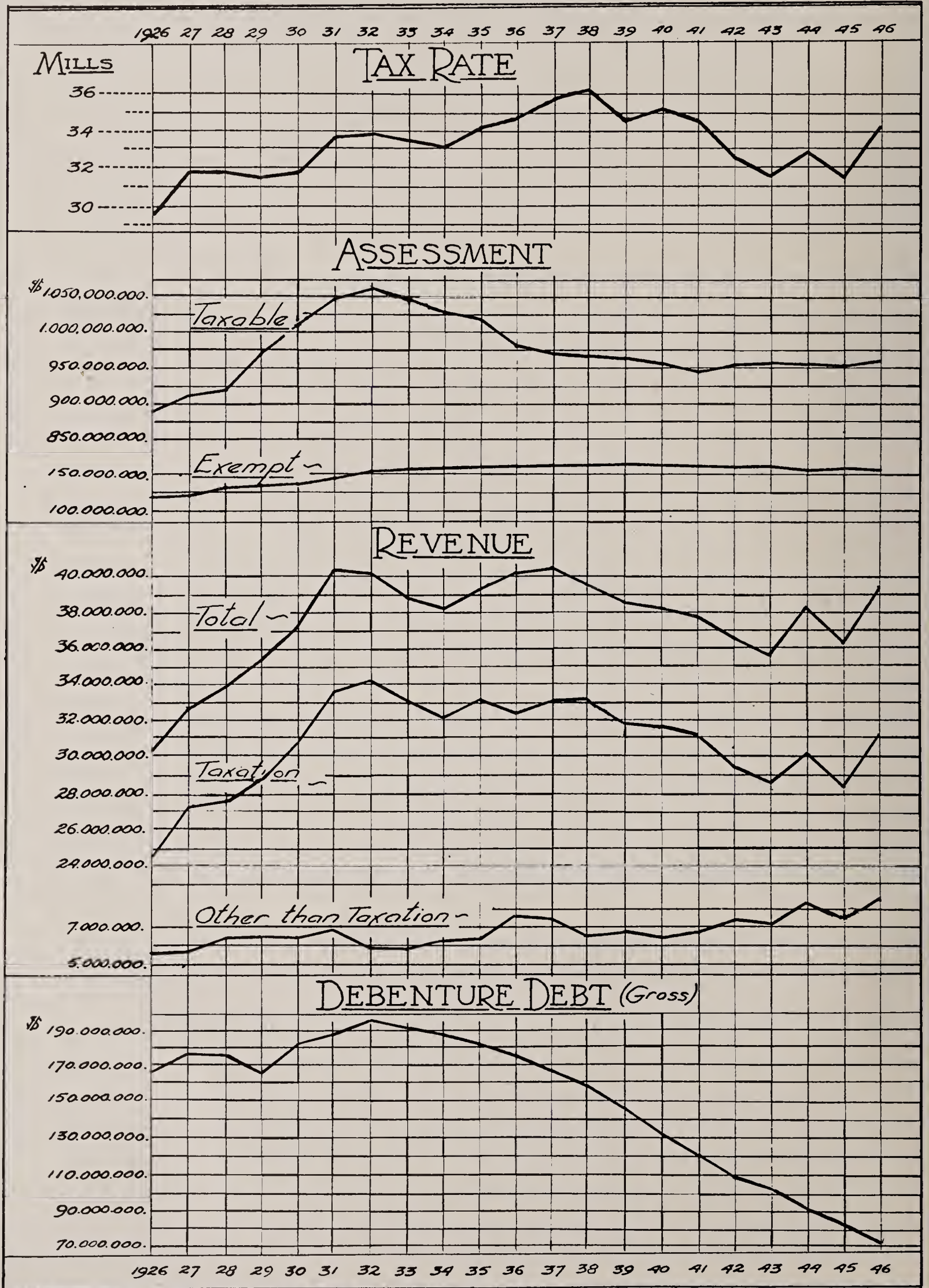


EXPENDITURE OF THE TAXPAYERS' DOLLAR, 1945 AND 1946

(Covering Maintenance and Debt Charges)

		1945	1946
(1) Education.....	Public, Separate, High, Commercial and Technical Schools (after deduction of Provincial Government Grants).....	\$0.33	\$0.29 ⁵ / ₈
(2) Protection.....	Police, Courts, Jail, Fire, Registry Office, Life Saving, Safety of Buildings.....	.13 ⁵ / ₈	.15 ³ / ₄
(3) Health and Sanitation.....	Public Health Services, Isolation Hospital, Street Cleaning, Collection and Disposal of Garbage, Sewers.....	.13 ¹ / ₈	.14 ⁵ / ₈
(4) Highways.....	Roadways, Bridges, Snow Clearing, Cindering, Public Lighting and Suburban Roads.....	.09 ³ / ₄	.09 ⁵ / ₈
(5) Social Services	Direct Relief, Charitable and Institutional Grants, Hospitalization, etc.....	.08 ¹ / ₂	.09 ³ / ₈
(6) Parks and Recreation.....	Maintenance and Debt Charges re Parks.....	.04 ¹ / ₈	.04 ⁷ / ₈
(7) General Administration.....	City Council, City Clerk's (incl. Assessment and Legal Division), Audit, Planning, Treasury, Property (General, City Hall and Stewart Building) Departments, etc.....	.04	.04 ⁵ / ₈
(8) Special Services (Deficits)	Harbour Commissioners re Guaranteed Debt, Exhibition, Royal Winter Fair, Island Ferry Service and Civic Airports.....	.02 ⁵ / ₈	.02 ⁵ / ₈
(9) Local Impvts. City's Share.....	Debt Charges only.....	.03 ⁵ / ₈	.01 ³ / ₄
(10) Unclassified.....	Emergency Housing, Cost of Foreign Exchange, Libraries, Employees' Pensions, etc., and sundry unclassified debt charges.....	.07 ⁵ / ₈	.07 ¹ / ₈
		\$1.00	\$1.00

TREND OF CITY of TORONTO TAX RATE, ASSESSMENT, REVENUE & DEBENTURE DEBT. 1926-1946



(See Notes on Next Page)

NOTES RE GRAPHS ON PREVIOUS PAGE

A. The Tax Rates charted are the total mill rates levied against Public School Supporters for general and school purposes.

B. In 1936 the statutory authority of municipalities to tax the income of persons and personal corporations, which became taxable by the Province under The Income Tax Act of Ontario, 1936, was abolished. Furthermore, in 1944 the statutory authority to tax certain corporation income, retained in 1936, was suspended for the duration of the War under Dominion-Provincial agreement and repealed entirely under the Assessment Amendment Act, 1947.

As the City's total taxable assessment in 1935 included \$35,269,406 income assessment of persons and personal corporations and in 1943 included \$4,901,187 Corporation income assessment, 85% of the reduction in 1936 and considerably more than the whole reduction in 1944 was attributable to loss of authority to tax such income.

Against the resultant loss of tax revenue the City has received from the Provincial Government the following amounts, which are included in Revenue Other Than Taxation charted on the previous page:

(a) 1936—\$1,207,152 (reimbursement to extent of taxation on incomes of persons and personal corporations levied in 1935).

(b) Subsidies equal to millage indicated on respective General Assessments:

1937 — \$ 902,700 (1 Mill)	1943 — \$ 885,283 (1 Mill)
1938 — 898,797 (1 Mill)	1944 — 1,758,418 (2 Mills of which
1939 — 1,343,475 (1½ Mills)	1 Mill was to reduce taxation for
1940 — 883,800 (1 Mill)	educational purposes.)
1941 — 876,934 (1 Mill)	1945 — 876,758 (1 Mill)
1942 — 876,934 (1 Mill)	1946 — 881,395 (1 Mill)

(c) Grants in lieu of Corporation Business Tax (re loss of authority to tax certain Corporation Income), 1944 — \$150,000; 1945 — \$160,000*; 1946—\$160,000*.

*See reference page 12, item 13.

C. The inauguration of the Provincial Government's new policy of increased educational grants was a major factor in the 1945 Tax Rate and Revenue reductions indicated in the respective graphs and it is suggested, therefore, that page 10 of this Report be referred to for information in this regard.

D. The reduction in 1938 in Revenue Other Than Taxation, to the extent of about 96% thereof, is due to a reduced water charge for Fire Protection resulting from a change made in the basis of the charge. While Waterworks revenue and the surplus available for general City purposes was reduced, the expenditure for Fire Protection was correspondingly reduced with, therefore, no effect on the revenue required to be raised by taxation.

E. Debenture Debt (Gross), charted on the previous page, is the **total** City debenture debt outstanding as at December 31st of each of the years indicated and includes debt with respect to general purposes (Highways, Sewage System, Parks, City's Share of Local Improvements, Hospital Building Grants, etc.), school purposes (Board of Education), revenue-producing services (Hydro-Electric System, Transportation Commission and Waterworks, all self-sustaining, and Abattoir, Airports, Canadian National Exhibition Buildings, Royal Agricultural Winter Fair Buildings and Island Ferry Service) and specially-rated portion of Local Improvements.

It may also be noted that the debt charted is before deduction of Sinking Funds and Instalment Debt Redemption Funds held, which at the end of 1946 amounted to \$16,145,839 and \$226,574 respectively.

Balance Sheet of the CITY OF

ASSETS		
CURRENT:		
Cash in Banks and on hand.....		\$ 611,202.35
Taxes due and unpaid.....		1,651,622.21
Accounts Receivable:		
General (less Reserve for Doubtful Debts—		
\$368,200.00).....	\$ 1,562,706.72	
Tax Sale Lands.....	181,747.12	1,744,453.84
Stores on hand.....		564,867.85
Lands acquired at Tax Sales:		
Subject to redemption.....	\$ 1,094.30	
Deeded to Municipality.....	467,333.00	468,427.30
Revenue accrued.....		679,540.92
Prepaid Charges.....		943,727.34
CAPITAL:		
Capital Expenditure, less amounts written off to extent of debentures redeemed:		
Land, parks, buildings, waterworks, schools, Toronto Hydro-Electric System, Toronto Transportation System, Abattoir, Municipal Airports; general highway, sewerage, and waterfront improvements; hospital building grants, outside highways.		
Amount for which debentures have been issued.....	\$66,973,906.88	
Amount for which debentures are to be issued.....	2,576,427.66	
Amount for which debentures not required to be issued.....	1,126,537.55	70,676,872.09
Local Improvements:		
Cost assessed against property owners.....	\$ 1,333,697.40	
Corporation's Share.....	2,631,961.18	
Cost not yet distributed.....	297,521.71	4,263,180.29
Investments:		
Toronto Housing Co. Ltd. Stock.....	\$ 500.00	
Consumers' Gas Co. Stock.....	20,250.00	20,750.00
Trust Fund Investments.....		20,925.76
Total Assets.....		\$ 81,645,569.95

Treasury Department,
May 20th, 1947.

AUDITOR'S

I have completed the audit of the general books and accounts of the Corporation of the City of Toronto opinion, the attached balance sheet as prepared by the City Treasurer, is drawn up properly so as to the best of my information and the explanations given to me.

Real Estate, plant and equipment and other capital assets not covered by existing debentures or capital I have verified by examination the securities representing the investments of the Sinking Fund and in the control of the officers of the Corporation.

The City Treasurer holds securities not shown in the balance sheet belonging to the Firemen's Widows' of sureties to the amount of \$52,800.00.

The transactions of the Corporation which have come under my notice were, in my opinion, within the Towards the end of the year, I sent letters for verification to taxpayers representing 13,959 assessments have not checked the tax rolls completely but I have maintained a continuous examination of the system

Audit Department, July 23rd, 1947.

TORONTO as of December 31st, 1946

LIABILITIES

CURRENT:

Interest on Debenture Debt:		
Due Jan. 1st, 1947 (less: met Dec. 31st, 1946)		
and matured unrepresented coupons.....	\$ 754,860.50	
Accrued and Reserve for Advance Collection on		
Ratepayers' Share of Local Improvements.....	496,896.64	\$ 1,251,757.14
Matured Debentures Outstanding.....		457,746.85
Accounts Payable.....		3,062,389.82
Short Term Loans.....		1,000,000.00
Unearned Revenue.....		387,397.19
Reserve for Uncollectible Taxes.....		386,914.80
Reserve for Lands Acquired at Tax Sale.....		468,427.30
Reserve for Exchange.....		1,700.00
Sundry Reserves.....		410,805.85
Reserve against Tax Sale Lands Re-sold.....		181,747.12
Reserve for Deferred Expenditure.....		59,798.00
Surplus—1946.....		18,467.38

CAPITAL:

Debenture Debt.....	\$72,157,545.24	
Less: Sinking Fund on hand.....	\$16,074,251.73	
Other Funds for Debt		
Redemption.....	71,586.83	16,145,838.56
		56,011,706.68
Debenture Debt Redemption Reserves:		
Sinking Fund Reserve.....	\$16,074,251.73	
Instalment Debt Redemption Reserve.....	226,574.12	16,300,825.85
Toronto Harbour Commissioners—re reclamation improvements.....		825,130.37
County of York—re interest in Court House.....		84,000.00
Wartime Housing Ltd.—re 100 Houses.....		217,407.18
Sundry Reserves.....		481,117.70
Trust Funds:		
Invested.....	\$ 20,925.76	
Uninvested.....	17,304.96	38,230.72
Total Liabilities.....		\$ 81,645,569.95

Contingent Liabilities, not included above, amounting to \$18,683,100.00 represent bonds of the Toronto Harbour Commissioners (\$18,381,600.00) and Toronto Housing Company (\$301,500.00) which have been guaranteed by the City.

G. A. LASCELLES,
Commissioner of Finance and City Treasurer.

CERTIFICATE

as kept by the City Treasurer for the year ended 31st December, 1946, and hereby certify that, in my disclose the financial position of the Corporation as at that date, as shown by the books and according to

debt are not included in this balance sheet.

also the securities of the trust accounts and sundry general investments. I have verified the cash funds

and Orphans' Permanent Relief Fund with a book value of \$110,449.90, and contractors' deposits in lieu

powers of the Corporation.

on which taxes were shown on the rolls as being unpaid. No serious differences were reported to me. I of internal check in the Tax Office and have made a test audit of the cash transactions.

S. C. SCOTT, F.C.A., City Auditor.

CONDENSED STATEMENT OF REVENUE AND EXPENSE

For the Year Ended December 31st, 1946

Expenditure			Revenue	
General Expense.....		\$31,650,615.62	Taxation and General Revenue.....	\$39,480,802.65
Debt Charges:			Surplus brought forward from 1945.....	27,399.22
Interest.....	\$ 3,624,916.73			
Serial Debenture payments.....	7,080,149.05			
Sinking Fund payments.....	305,483.88			
Less:	\$11,010,549.66			
*Charges met by Special Services not affecting general taxation.....	3,171,430.79	7,839,118.87		
Surplus—1946.....		18,467.38		
		\$39,508,201.87		\$39,508,201.87

Audited and approved,
S. C. SCOTT, F.C.A.,
City Auditor.

G. A. LASCELLES,
Commissioner of Finance,
and City Treasurer.

* Toronto Transportation Commission, Toronto Hydro-Electric System and Ratepayers' Share of Local Improvements.

CITY OF TORONTO
COMPARATIVE STATEMENT OF CURRENT EXPENDITURES 1938-1946—Classified by Services

(See page 28 for Classification by Departments)

Item No.	Service		1938 (Last Pre-War Year)	1939	1940	1941	1942	1943	1944	1945	1946	Increase or Decrease, 1946, compared with 1938				Item No.
												Maintenance, etc.		Debt Charges		
												Increase	Decrease	Increase	Decrease	
1.	General Administration <i>City Council; City Clerk's (Incl. Assessment and Legal Div.); Audit, Planning and Treas. Depts., etc.</i>	Maintenance, etc. Debt Charges	\$ 1,410,355 15,236	\$ 1,382,530 14,851	\$ 1,362,849 15,425	\$ 1,364,937 14,985	\$ 1,369,371 15,504	\$ 1,412,153 15,009	\$ 1,593,278 14,514	\$ 1,603,789 14,977	\$ 1,773,550 15,386	\$ 363,195		\$ 150	1.	
2.	Health <i>Public Health Services, Isolation Hospital, etc.</i>	Maintenance, etc. Debt Charges	912,520 40,549	900,585 40,274	827,462 38,974	850,557 38,493	898,258 38,098	1,030,489 29,910	1,122,227 29,795	1,145,237 30,305	1,285,199 55,232	372,679		14,683	2.	
3.	Highways (except Local Improvements) <i>Roadways, Bridges, Snow Clearing, Cidering, etc.</i>	Maintenance, etc. Debt Charges	1,330,407 1,442,165	1,315,785 1,488,024	1,356,423 1,379,770	1,366,272 1,500,661	1,327,275 1,496,093	1,359,244 1,361,611	1,533,959 1,390,482	1,782,369 1,277,718	1,919,981 1,245,861	589,574		196,304	3.	
4.	Parks and Recreation	Maintenance, etc. Debt Charges	986,211 564,377	944,432 564,887	891,720 564,264	832,895 546,294	811,246 526,599	885,077 524,119	981,620 508,426	1,038,208 441,499	1,303,054 409,633	316,843		154,744	4.	
5.	Protection:—(a) Police, Fire, etc. <i>(b) Water Supply for Fire Protection</i>	Maintenance, etc. Debt Charges Maintenance, etc.	4,745,083 170,157 161,160	4,855,352 165,755 162,000	4,688,015 165,386 159,820	4,696,403 162,188 161,280	4,641,729 154,659 161,360	4,834,738 154,106 161,440	5,071,594 153,377 161,440	5,233,222 136,442 161,720	6,372,034 105,520 161,920	1,626,951		64,637	5.	
6.	Sanitation and Drainage (except Local Improvements) <i>Street Cleaning, Collection and Disposal of Garbage, Sewers, etc.</i>	Maintenance, etc. Debt Charges	2,072,525 800,430	2,054,885 797,141	2,014,771 805,103	2,020,984 803,478	2,031,021 787,121	2,187,169 775,669	2,335,031 839,130	2,433,202 819,802	3,033,294 796,260	960,769		175,830	6.	
7.	Social Services:—(a) Direct Relief <i>(b) Hospitalization (indigent), Children's Aid, Charitable Grants, etc.</i>	Maintenance, etc. Debt Charges	971,376 2,485,856	969,453 2,572,019	921,007 1,939,861	655,324 2,129,617	800,443 1,551,392	807,548 1,616,159	790,039 290,344	670,010	789,694		181,682	2,485,856	7.	
8.	Local Improvements—City's Share	Maintenance, etc. Debt Charges	1,981,287 146,448	1,807,246 150,220	1,744,357 157,066	1,667,154 162,615	1,640,583 161,877	1,753,219 161,368	1,727,220 159,778	1,987,727 153,999	2,290,999 270,506	309,712		124,058	8.	
9.	Miscellaneous—Emergency Housing (1944-1946), Cost of Foreign Exchange, Pensions, etc.	Maintenance, etc. Debt Charges	488,201 129,503	506,979 129,785	424,121 125,885	668,655 99,510	631,390 72,120	800,554 38,722	1,200,195 342,741	1,267,993 376,598	2,013,390 376,598	1,525,189		247,095	9.	
10.	Libraries	Maintenance, etc. Debt Charges	486,061 53,338	467,698 52,568	475,744 43,896	475,923 45,396	495,686 44,817	552,372 39,658	598,467 40,100	618,658 39,471	694,004 39,471	207,943		13,867	10.	
11.	Education—Public, Separate, High, Commercial and Technical Schools (not after Prov. Com'l. Grants, etc.)	Maintenance, etc. Debt Charges	9,495,577 1,859,764	9,370,653 1,884,768	9,235,659 1,873,366	9,135,360 1,904,743	9,127,316 1,872,056	9,237,220 1,846,574	9,927,838 1,795,303	7,675,412 1,722,963	7,525,295 1,652,220		1,970,282	237,544	11.	
	TOTAL COMMON WELFARE	Maintenance, etc. Debt Charges	25,040,763 9,673,924	24,737,598 9,724,130	24,501,948 8,812,825	23,895,744 8,956,553	23,935,678 8,045,601	25,021,223 6,726,564	27,042,908 6,677,430	25,617,747 6,027,541	29,162,417 5,723,396	4,121,651		Net Decrease 3,950,528		
12.	Public Service Enterprises and Special Services: Abattoir	Maintenance, etc. Debt Charges	89,245 17,865	95,503 17,853	93,753 17,866	95,930 16,935	113,905 16,325	140,366 15,699	213,527 14,477	159,298 11,138	171,835 24,025	82,590		6,160	12.	
13.	Airports	Maintenance, etc. Debt Charges	675 33,953	9,956 33,953	13,499 36,085	67,930 36,085	67,739 36,085	67,520 36,085	67,267 36,085	67,524 36,085	67,179 36,085	5,967		66,504	13.	
14.	Canadian National Exhibition Buildings	Maintenance, etc. Debt Charges	98,410 270,165	94,032 269,552	78,366 260,413	76,917 255,620	83,831 234,765	60,657 202,691	65,612 202,435	62,227 201,739	69,130 197,019		29,280	73,146	14.	
15.	Housing Commission	Maintenance, etc. Debt Charges	12,037 12,037	7,964 7,964	3,450 3,450	12,508 3,450	18,167 26,068	47,170 26,478	35,136 26,844	22,928 27,199	24,476 26,524			12,037	15.	
16.	Island Ferry Service	Maintenance, etc. Debt Charges	28,015 9,758	18,142 9,558	43,308 9,358	12,508 26,646	18,167 26,068	47,170 26,478	35,136 26,844	22,928 27,199	24,476 26,524		3,539	16,766	16.	
17.	Radial Railways (in liquidation)	Maintenance, etc. Debt Charges	219,919 14,847	219,919 10,818	209,644 6,318	209,644 6,318	209,644 6,318	209,644 6,318	209,644 6,318	209,644 6,318	209,644 6,318			219,919	17.	
18.	Royal Agricultural Winter Fair Buildings	Maintenance, etc. Debt Charges	155,348 644,930	155,093 693,671	154,718 693,671	155,220 693,671	155,780 693,671	155,780 693,671	155,780 693,671	155,780 693,671	155,780 693,671	961		70,898	18.	
19.	Toronto Harbour Commissioners <i>Debt Charges paid by City re Guaranteed Debt.</i>	Maintenance, etc. Debt Charges	1,382,235 1,821,712	1,371,285 1,800,698	1,386,786 1,789,208	1,406,574 1,866,226	1,408,011 1,843,923	1,443,420 1,829,058	1,526,499 1,801,450	1,594,321 1,747,142	1,682,702 1,716,526	300,467		105,186	19.	
20.	Waterworks	Maintenance, etc. Debt Charges	1,382,235 1,821,712	1,371,285 1,800,698	1,386,786 1,789,208	1,406,574 1,866,226	1,408,011 1,843,923	1,443,420 1,829,058	1,526,499 1,801,450	1,594,321 1,747,142	1,682,702 1,716,526			105,186	20.	
	TOTAL MAINTENANCE, ETC.		27,298,445	27,031,115	26,683,898	26,019,691	26,025,260	27,468,972	29,493,390	28,008,712	31,650,616	4,352,171		Net Increase		
	TOTAL DEBT CHARGES		12,181,403	12,238,000	11,293,567	11,345,130	10,388,996	9,023,790	8,931,119	8,157,000	7,839,119			Net Decrease 4,342,204		
	TOTAL CURRENT EXPENDITURES (Including Debt Charges)		\$39,479,848	\$39,269,115	\$37,977,465	\$37,364,821	\$36,414,256	\$36,492,762	\$38,424,509	\$36,165,712	\$39,489,735	Total Net Increase.		\$9,887		

NOTES: Social Services: (a) Maintenance amounts for 1938-1946, were met directly as current expenditures. (1943 amount includes \$19,295 intended to be funded on account of 1940 expenditure but transferred to current account and provided for in 1943 Tax Rate.) See page 36 for City's Gross Expenditures, Net Costs, Annual Funded, etc., 1938-1946. Includes \$308,233 re debenturing of excess lands acquired in connection with improvement works.

CITY OF TORONTO

(See Page 27 for Classification by Services)

COMPARATIVE STATEMENT OF CURRENT EXPENDITURES—(Exclusive of Debt Charges), 1938-1946—Classified by Departments

Item No.	Departments	1938 (Last Pre-War Year)	1939	1940	1941	1942	1943	1944	1945	1946	Increase or Decrease 1946 compared with 1938		Item No.
											Increase	Decrease	
Maintenance, Etc.:													
Administrative Departments—													
1.	City Council—General (Includes Mayor's Office, Grants, etc.)	\$ 166,001	\$ 173,325	\$ 159,531	\$ 180,074	\$ 148,352	\$ 155,304	\$ 174,629	\$ 190,242	\$ 220,206	\$ 54,205		1.
	City Planning Board					3,500	18,000	35,615	7,247	19,288	19,288		
	War Protection Measures		122,004	50,648	3,575	3,129	2,923	2,883	2,811	898	898		
2.	City Clerk's—General (Includes Personnel Division)...	146,128	146,077	141,876	138,399	136,704	147,676	156,603	173,644	209,559	63,431		2.
	Assessment Division	270,291	267,588	242,785	243,274	240,271	248,516	279,648	292,345	302,308	32,017		
	Legal Division (Includes Claims Commission)	80,578	76,216	87,109	92,509	87,818	80,432	91,344	103,192	109,324	28,746		
3.	Audit	113,236	111,495	108,438	105,033	99,394	105,305	108,627	115,768	123,018	9,782		3.
4.	Planning and Surveying	54,665	52,704	52,376	49,848	49,337	52,810	72,620	67,791	66,493	11,828		4.
5.	Treasury (Includes Waterworks Revenue Branch)	467,106	450,226	437,229	422,745	457,835	466,888	522,077	550,296	596,371	129,265		5.
Operating Departments—													
6.	Abattoir	89,245	93,110	91,257	95,929	113,905	140,366	213,527	159,298	171,835	82,590		6.
7.	Buildings	126,051	126,142	123,665	131,929	125,707	140,517	165,195	174,007	204,467	78,416		7.
8.	Fire—General	1,556,406	1,541,746	1,516,717	1,536,295	1,527,999	1,626,795	1,772,557	1,867,322	2,234,986	678,580		8.
	Water Supply for Fire Protection	161,160	162,000	159,820	161,280	161,360	161,440	161,440	161,720	161,920	760		
9.	Health	902,063	885,204	811,879	835,081	883,480	1,017,692	1,109,389	1,145,237	1,283,759	381,696		9.
10.	Parks (Includes Maintenance Buildings and Grounds of C.N.E. and R.A.W. Fair)	1,086,566	1,035,390	958,763	897,070	883,689	935,306	1,037,387	1,113,935	1,380,691	294,325		10.
11.	Police	2,339,003	2,358,554	2,360,431	2,377,215	2,341,400	2,425,031	2,434,004	2,465,908	2,924,140	585,137		11.
12.	Property	1,099,421	1,023,006	940,655	918,250	904,230	851,924	931,055	1,114,940	1,403,222	303,801		12.
13.	Street Cleaning	1,747,397	1,747,322	1,795,621	1,882,884	1,865,524	2,049,167	2,300,361	2,622,326	3,033,874	1,286,477		13.
14.	Welfare—												14.
	(a) General (Includes Charitable Grants).	432,445	477,169	454,072	440,080	457,737	510,270	488,499	661,596	850,434	417,989		
	(b) Direct Unemployment Relief (See Note below)	971,376	969,453	921,007	655,324	800,443	807,548	790,039	670,010	789,694		181,682	
	(c) Statutory—Hospitalization (indigent), Children's Aid, etc.	1,459,447	1,277,389	1,262,069	1,203,810	1,131,681	1,043,524	1,187,276	1,258,911	1,346,966		112,481	
15.	Works (Includes Waterworks Operation).	2,055,330	2,020,407	1,994,076	2,032,250	2,072,415	2,221,265	2,350,052	2,450,117	2,667,604	612,274		15.
TOTAL—ADMINISTRATIVE AND OPERATING DEPARTMENTS		\$15,323,915	\$15,116,527	\$14,670,024	\$14,402,854	\$14,495,910	\$15,208,699	\$16,384,827	\$17,368,663	\$20,101,257	\$ 4,777,342		
Miscellaneous:											Net Increase		
16.	Emergency Housing (Maintenance costs under Property Dept.)							332,081	178,853	177,106	177,106		16.
17.	Exchange—Net Cost of New York and London Funds	93,473	122,479	398,215	348,125	298,252	283,273	184,272	115,477	102,805	9,332		17.
18.	Harbour Commissioners—Debt Charges re Guaranteed Debt	644,930	693,781	559,920	529,628	463,414	754,309	607,852	537,760	518,284		126,646	18.
19.	Libraries	486,061	467,698	475,744	475,923	495,685	552,372	598,467	618,858	694,004	207,943		19.
20.	Courts—General, Magistrates, etc.	244,239	242,956	238,296	254,180	241,618	235,688	260,584	271,307	322,820	78,581		20.
21.	Sundry—Interest re temporary financing, Highways outside City, Life Saving, etc.	1,010,250	1,017,021	1,106,040	873,621	903,064	1,197,411	1,197,469	1,242,382	2,209,045	1,198,795		21.
AFFECTING GENERAL TAX RATE		\$17,802,868	\$17,660,462	\$17,448,239	\$16,884,331	\$16,897,944	\$18,231,752	\$19,565,552	\$20,333,300	\$24,125,321	\$ 6,322,453		
22.	Education (Net after Provincial Government Grants, etc.)	9,495,577	9,370,653	9,235,659	9,135,360	9,127,316	9,237,220	9,927,838	7,675,412	7,525,295		1,970,282	22.
AFFECTING TOTAL TAX RATE		\$27,298,445	\$27,031,115	\$26,883,898	\$26,019,691	\$28,025,260	\$27,468,972	\$29,493,390	\$28,008,712	\$31,650,616	\$ 4,352,171		
											Net Increase		

NOTE: Welfare Dept: (b) Direct Unemployment Relief amounts above, 1938-1946, were met directly as current expenditures. (1943 amount includes \$19,295 intended to be funded on account of 1940 expenditure but transferred to current account and provided for in 1943 Tax Rate.) See Statement, page 36, showing City's Gross Expenditures, Net Cost, Amount Funded, etc., 1930-1946.

REVENUE FOR YEAR 1946

Summary Classification of Year's Revenue According to Source

Taxation—Yield from tax rates as follows, less provision for uncollectible taxes.....

\$31,048,163

	Tax Rate	Assessment
(a) General.....	24.70 mills	\$881,395,487
School:		
Public School Supporters.....	9.45 mills	909,827,573
Separate School Supporters.....	13.00 mills	44,757,141

Provincial Government:

Subsidy of One Mill on General Assessment.....	\$881,395
Grant in lieu of Corporation Business Tax (<i>see reference p. 12</i>).....	160,000

1,041,395

Common Welfare Revenue Other Than Taxation:

Administration of Justice—Police and Family Court	
Fines and Fees.....	\$ 749,629
General Rentals (<i>Including Emergency Housing</i>).....	634,188
License, Permit and Inspection Fees.....	496,575
Proceeds from Sale of Tax Sale Lands.....	255,033
Miscellaneous and Special Adjustments.....	182,651
Interest and Penalties—On Overdue Taxes.....	124,945
Interest Account.....	104,147
Sundry Service Fees.....	96,484
Toronto Transportation Commission—Payments in lieu of Business Taxes and part of Realty Taxes.....	78,348
Registry Office Revenue.....	56,267
Mortgage Tax Revenue.....	50,528
Toronto Hydro-Electric System—Payment re Municipal Services.....	35,885
Audit, Official and Conveyancing Fees.....	15,018
Dividend on Stock—Consumers' Gas Company.....	1,200

2,880,898

Revenue from Public Service Enterprises and Special Services:

Municipal Abattoir—Profit from sales of by-products, killing and cooler charges, cold storage fees, stock yard fees, etc.....	202,960
Canadian National Exhibition and Royal Agricultural Winter Fair	
—Debt charges and maintenance (in part) met by Dept. of National Defence re Buildings and Grounds occupied by armed forces; Annual Grant from Provincial Government re Horse Palace, etc.....	187,937
Waterworks System—Water rates, including City Supply and sundry rentals.....	4,119,450

Total Revenue, 1946.....\$39,480,803

(a) Net rate after deducting Provincial Government Subsidy of One Mill on General Assessment.

COMPARATIVE STATEMENT

REVENUE AND EXPENDITURE FOR YEARS 1936-1946

Year	Tax Rate in Mills — <i>General and Board of Education</i>	Revenue (Exclusive of Reserve for Deferred Expenditure and Previous Year's Surplus, brought forward)				Expenditure (Exclusive of Reserve for Deferred Expenditure and Deficit, if any, carried forward)						
		Taxation	General Other Than Taxation Note (3)	Special Services	Total Revenue	Common Welfare—Note (1)			Total Special Services Expenditure			
						General	Debt Charges	Total Common Welfare Expenditure				
1936	34.85	\$32,437,530	\$3,034,889	\$4,631,403	\$40,103,822	\$26,053,498	\$8,504,669	\$34,558,167	\$2,703,897	\$2,594,820	\$5,298,717	\$39,856,884
1937	35.70	33,010,482	2,826,826	4,581,558	40,418,866	26,322,444	9,223,012	35,545,456	2,470,448	2,564,324	5,034,772	40,580,228
1938	36.05	33,130,670	2,788,335	3,751,896	39,670,901	25,040,764	9,673,923	34,714,687	2,257,681	2,507,480	4,765,161	39,479,848
1939	34.75	31,851,949	3,098,939	3,741,033	38,691,921	24,737,598	9,724,130	34,461,728	2,293,517	2,513,870	4,807,387	39,269,115
1940	35.15	31,768,644	2,614,633	3,852,437	38,235,714	24,501,948	8,812,825	33,314,773	2,181,950	2,480,742	4,662,692	37,977,465
1941	34.60	31,062,378	2,647,942	4,188,656	37,898,976	23,895,744	8,956,553	32,852,297	2,123,947	2,388,577	4,512,524	37,364,821
1942	32.60	29,472,693	2,829,742	4,394,047	36,696,482	23,935,678	8,045,601	31,981,279	2,089,582	2,343,395	4,432,977	36,414,256
1943	31.60	28,728,126	2,645,939	4,368,011	35,742,076	25,021,223	6,726,564	31,747,787	2,447,749	2,297,226	4,744,975	36,492,762
1944	32.85	30,016,850	3,731,686	4,499,306	38,247,842	27,042,908	6,677,430	33,720,338	2,450,482	2,253,689	4,704,171	38,424,509
1945	31.45	28,470,305	3,224,793	4,498,013	36,193,111	25,617,747	6,017,541	31,635,288	2,390,965	2,139,459	4,530,424	36,165,712
1946	34.15	31,048,163	3,922,293	4,510,347	39,480,803	29,162,414	5,723,396	34,885,810	2,488,202	2,115,723	4,603,925	39,489,735

NOTE: (1) Common Welfare Services, viz.: Police, Fire, Health, Direct Relief, Hospitalization, Street Cleaning, Collection and Disposal of Garbage, Sewage System, Local Improvements (City's Share), Highways, Parks, Schools, Emergency Housing, Administration, etc.

(2) Special Services, viz.: Waterworks, Abattoir, Canadian National Exhibition (Buildings), Harbour Commissioners, Island Ferry Service, Royal Agricultural Winter Fair (Buildings), Civic Airports, etc.

Toronto Hydro-Electric System, Toronto Transportation System (operated by separate Commissions) and Local Improvements (Ratepayers' Share) are not included in this statement.

(3) Includes the following amounts received from the Provincial Government:

(a) 1936—\$1,207,152 (reimbursement to extent of taxation on incomes of persons and personal corporations levied in 1935—statutory authority to tax such income was abolished in 1936).

(b) Subsidies equal to millage indicated on respective General Assessments:

1937—\$ 902,700 (1 Mill)
 1938— 898,797 (1 Mill)
 1939— 1,343,475 (1½ Mills)
 1940— 883,800 (1 Mill)

(c) Grants in lieu of Corporation Business Tax (re suspension of authority to tax certain Corporation Income):
 1944—\$150,000
 1945—\$160,000*

1944—\$1,758,418 (2 Mills, of which 1 Mill was to reduce taxation for educational purposes.)

1945— 876,758 (1 Mill)

1946— 881,395 (1 Mill)

1946—\$160,000.*

*Not received—see reference page 12.

CAPITAL EXPENDITURES, 1946

Revenue-Producing and Specially-Rated Services:		
*Local Improvements (Ratepayers' Share).....	\$199,741	
†Waterworks.....	33,293	
†Municipal Abattoir.....	4,662	\$ 237,696
Non-Revenue-Producing Services:		
Highways—City.....	\$1,339,068	
Emergency Housing.	660,007	
Sewage System.....	610,701	
Hospitals—Building Grants, etc.....	299,429	
Parks	231,678	
Local Improvements (City's Share).....	107,553	
New Motor Vehicle Equipment, Detention Home, etc.....	73,198	
Public Library—Building.....	11,000	3,332,634
		\$3,570,330

NOTE:—Total Capital Expenditure for the year does not correspond with debenture sales for the year due to the fact that funding, either at the completion or during progress of the work, may cover expenditure during the current and/or previous years.

* Specially-rated.

† Wholly self-sustaining.

STATEMENT OF DEBENTURE DEBT

December 31st, 1946

Debt Classification	Original Amount of Outstanding By-laws	Matured Instalments Retired	Redeemed on Account before Maturity	Gross Debt Dec. 31st, 1946	Accumulated Sinking Fund Dec. 31st, 1946	Net Debt Dec. 31st, 1946
General:	\$	\$	\$	\$	\$	\$
City Buildings.....	185,000.00	108,000.00	3,000.00	74,000.00	.....	74,000.00
Fire Protection (including High Pres- sure Water Supply).....	689,771.85	324,828.85	120,343.00	244,600.00	55,044.14	189,555.86
Garbage Disposal.....	1,059,000.00	437,000.00	176,000.00	446,000.00	.....	446,000.00
Highways—In City.....	15,529,604.00	6,819,000.00	1,925,004.00	6,785,600.00	1,914,186.16	4,871,413.84
Highways—Outside City.....	1,304,000.00	809,000.00	10,000.00	485,000.00	.....	485,000.00
Hospitals—Building Grants.....	3,003,282.00	814,000.00	796,282.00	1,393,000.00	486,672.32	906,327.68
Hospitals—Municipal.....	541,000.00	318,000.00	25,000.00	198,000.00	.....	198,000.00
Industrial Farms.....	425,076.10	.....	162,576.10	262,500.00	240,471.81	22,028.19
Libraries—Public.....	444,000.00	349,000.00	3,000.00	92,000.00	.....	92,000.00
Local Improvements—City's Share.....	6,226,555.54	3,594,594.36	.....	2,631,961.18	.....	2,631,961.18
Miscellaneous.....	2,452,768.56	1,242,423.23	156,045.33	1,054,300.00	104,976.47	949,323.53
Parks and Playgrounds.....	6,204,650.00	2,331,000.00	743,890.00	3,129,760.00	459,073.15	2,670,686.85
Police Stations.....	492,947.00	165,000.00	87,447.00	240,500.00	128,312.52	112,187.48
Registry Office.....	433,000.00	.....	71,000.00	362,000.00	322,924.89	39,075.11
Sewage System.....	14,688,815.94	4,127,080.38	2,605,524.68	7,956,210.88	2,080,244.54	5,875,966.34
Additional Sinking Funds (including \$71,586.83 Realization Capital Funds)	53,679,470.99	21,438,926.82	6,885,112.11	25,355,432.06	5,791,906.00	19,563,526.06
	.....	.....	.....	.....	78,768.37	(a) 78,768.37
Total.....	53,679,470.99	21,438,926.82	6,885,112.11	25,355,432.06	5,870,674.37	19,484,757.69

Education:						
Schools—Public.....	13,545,573.46	6,287,729.63	1,188,338.67	6,069,505.16	1,568,084.34	4,501,420.82
“ High.....	5,032,183.54	2,445,970.37	150,391.67	2,435,821.50	115,675.80	2,320,145.70
“ Commercial.....	2,160,000.00	1,113,300.00	20,000.00	1,026,700.00	.....	1,026,700.00
“ Technical.....	4,120,629.00	1,753,000.00	760,629.00	1,607,000.00	781,306.97	825,693.03
Total.....	24,858,386.00	11,600,000.00	2,119,359.34	11,139,026.66	2,465,067.11	8,673,959.55
Total General and Education..	78,537,856.99	33,038,926.82	9,004,471.45	36,494,458.72	8,335,741.48	28,158,717.24
Revenue-Producing and						
Specialty-Rated Debts:						
Abattoir.....	486,608.00	14,000.00	394,608.00	78,000.00	19,398.47	58,601.53
Airports—Municipal.....	999,000.00	283,000.00	14,000.00	702,000.00	.....	702,000.00
Can. Nat. Exhibition Buildings.....	2,573,000.00	1,632,900.00	154,900.00	785,200.00	155,780.80	629,419.20
Island Ferry Service.....	150,000.00	69,000.00	.....	81,000.00	.....	81,000.00
Local Impvts.—Ratepayers' Share.....	2,961,050.57	1,627,353.17	.....	1,333,697.40	.....	1,333,697.40
Royal Agric. Winter Fair Buildings.....	1,266,000.00	883,000.00	64,000.00	319,000.00	.....	319,000.00
Toronto Hydro-Electric System.....	16,040,000.00	6,971,000.00	2,545,600.00	6,523,400.00	3,965,466.79	2,557,933.21
Toronto Transportation Commission..	29,065,488.00	18,658,000.00	1,078,488.00	9,329,000.00	1,848.30	9,327,151.70
Waterworks.....	29,969,406.34	9,808,413.79	3,649,203.43	16,511,789.12	3,551,058.05	12,960,731.07
Additional Sinking Funds.....	83,510,552.91	39,946,666.96	7,900,799.43	35,663,086.52	7,693,552.41	27,969,534.11
	.....	.....	.....	.....	116,544.67	(a) 116,544.67
Total.....	83,510,552.91	39,946,666.96	7,900,799.43	35,663,086.52	7,810,097.08	27,852,989.44
Grand Total.....	162,048,409.90	72,985,593.78	16,905,270.88	(b) 72,157,545.24	16,145,838.56	56,011,706.68
(a) Deduct.						
(b) Sinking Fund Debentures..... \$17,526,886.66						
Serial Instalment Debentures..... 54,630,658.58						
\$72,157,545.24						

CITY’S BORROWING POWERS

The total debenture debt of the City is limited by Province of Ontario Statutes (52 Victoria, ch. 74, sec. 1 as re-enacted by 1 Edward VIII, ch. 40, sec. 8) to 12% of the first \$200,000,000 of Assessment and 8% of the excess thereafter.

In determining the amount of new debenture debt which may be created within this limitation, the debenture debts of certain services are deductible from the City’s total debenture debt, under the provisions of various statutes. See Table 2 below for such debts outstanding as at December 31st, 1946.

Table 1 Statutory Borrowing Margin

(Based on Assessment for General Purposes)

December 31st	Legal Debt Limitation	Outstanding Debt (excluding Exempted Debts)	Statutory Borrowing Margin
1936	\$80,216,034	\$74,980,085	\$ 5,235,949
1937	79,845,270	72,637,039	7,208,231
1938	79,640,973	70,360,713	9,280,260
1939	78,663,800	65,431,174	13,232,626
1940	78,057,538	63,994,032	14,063,506
1941	78,092,492	58,278,553	19,813,939
1942	78,716,362	52,756,667	25,959,695
1943	78,336,699	51,202,474	27,134,225
1944	78,140,709	44,950,972	33,189,737
1945	78,511,639	42,196,995	36,314,644
1946	79,335,440	35,508,697	43,826,743

Table 2 Exempted Debt

Purpose	Authority	Amount Dec. 31st, 1946
Toronto Transportation System.....	Municipal Act, R.S.O. 1914, Sec. 257, s.s. 2.....	\$9,329,000
Toronto Hydro-Electric System.....	9 Edw. VII, Ch. 125, Sec. 8...	6,523,400
Waterworks.....	52 Vic. Ch. 74, Sec. 12.....	16,511,789
Local Improvements.....	52 Vic. Ch. 74, Sec. 11 and Local Improvement Act, Sec. 40, s.s. 6.....	3,965,659
Royal Agric. Winter Fair Bldgs.....	17 Geo. V. Ch. 134, Sec. 3.....	319,000
	Total.....	\$36,648,848

DEBT MATURITIES			
1947-1970			
Year	Sinking Fund Debentures	Serial Instalment Debentures	Total
1947	\$ 6,853,683	\$ 6,853,683
1948	\$14,879,587	6,776,652	21,656,239
1949	1,212,300	6,702,436	7,914,736
1950	6,336,330	6,336,330
1951	5,798,617	5,798,617
1952	4,109,697	4,109,697
1953	555,000	2,851,873	3,406,873
1954	2,236,460	2,236,460
1955	880,000	2,107,996	2,987,996
1956	2,050,914	2,050,914
1957	1,806,000	1,806,000
1958	1,552,000	1,552,000
1959	1,448,000	1,448,000
1960	1,128,000	1,128,000
1961	1,032,000	1,032,000
1962	597,000	597,000
1963	359,000	359,000
1964	238,000	238,000
1965	182,000	182,000
1966	87,000	87,000
1967	89,000	89,000
1968	93,000	93,000
1969	96,000	96,000
1970	99,000	99,000
	\$17,526,887	\$54,630,658	\$72,157,545

CITY OF TORONTO
DIRECT UNEMPLOYMENT RELIEF, 1930-1946

Year	Gross Direct Relief Expenditures	Dominion and Ontario Governments and Private Contributions	Net Cost to City	How Net Cost to City Financed		
				Met as Current (Including Servicing Charges)	Funded by Serial Instalment Debentures	
					Amount	Term
1930-1	\$ 1,975,736	\$ 748,775	\$ 1,226,961	\$1,226,961	.....	.....
1932	3,018,728	2,271,973	746,755	746,755	.....	.....
1933	6,686,933	4,286,142	2,400,791	.....	\$ 2,400,791	5 yrs.
1934	8,873,090	5,688,029	3,185,061	340,649	2,844,412	5 yrs.
1935	9,983,508	6,381,097	3,602,411	408,924	3,193,487	5 yrs.
1936	8,765,054	5,625,761	3,139,293	955,741	2,183,552	5 yrs.
1937	7,194,953	4,785,000	2,409,953	974,392	1,435,561	5 yrs.
1938	7,524,514	4,949,282	2,575,232	971,376	1,603,856	4 yrs.
1939	7,289,353	5,101,623	2,187,730	969,453	600,000	4 yrs.
					618,277	3 yrs.
1940	4,891,116	3,700,814	1,190,302	921,007	(a) 269,295	2 yrs.
1941	2,265,870	1,610,546	655,324	655,324	.....	.....
1942	1,542,110	741,667	800,443	800,443	.....	.....
1943	1,299,162	510,909	788,253	788,253	.....	.....
1944	1,260,507	470,468	790,039	790,039	.....	.....
1945	1,187,861	517,851	670,010	670,010	.....	.....
1946	1,388,109	598,415	789,694	789,694	.....	.....
	\$75,146,604	\$47,988,352	\$27,158,252	\$12,009,021	\$15,149,231	

CHARGE FOR DIRECT RELIEF IN CITY TAX RATES, 1930-1946

Year	Current (Including Servicing Charges)	Debt Charges		Total Charge in Tax Rate	Effect in Tax Rate (Mills)
		Principal	Interest		
1930-31	\$ 1,226,961	.....	.....	\$ 1,226,961	1.27
1932	746,755	.....	.....	746,755	.75
1933	.....	.....	\$ 12,239	12,239	.01
1934	340,649	\$ 201,000	114,818	656,467	.69
1935	408,924	800,378	181,668	1,390,970	1.47
1936	955,741	1,226,965	198,485	2,381,191	2.63
1937	974,392	1,799,000	171,053	2,944,445	3.26
1938	971,376	2,320,000	165,856	3,457,232	3.85
1939	969,453	2,442,000	130,019	3,541,472	3.95
1940	921,007	1,855,000	84,861	2,860,868	3.24
1941	655,324	2,046,000	83,617	2,784,941	3.18
1942	800,443	1,504,000	47,392	2,351,835	2.68
1943	(a) 807,548	599,000	17,159	1,423,707	1.61
1944	790,039	(b) 285,000	5,344	1,080,383	1.23
1945	670,010	.....	.....	670,010	.76
1946	789,694	.....	.....	789,694	.89
	\$12,028,316	\$15,078,343	\$1,212,511	\$28,319,170	31.47

(a) Includes \$19,295 intended to be funded on account of 1940 expenditure but transferred to current account and provided for in 1943 Tax Rate. (b) Final instalment.

COMPARATIVE STATISTICS OF
POPULATION, ASSESSMENT AND DEBENTURE DEBT, 1936-1946

Year	Popula- tion	Total Assessment		Total Gross Debt		(6) Total Net Debt		(7) Net General and Education Debt	
	Number	Amount	Per Capita	Amount	Per Capita	Amount	Per Capita	Amount	Per Capita
		\$	\$	\$	\$	\$	\$	\$	\$
1936	645,462	(1)977,127,178	1,514	176,066,410	272.78	149,716,860	231.95	71,371,055	110.57
1937	648,309	973,734,167	1,502	167,425,349	258.25	139,686,541	215.46	67,544,938	104.19
1938	647,803	970,032,667	1,497	158,556,185	244.76	129,560,246	200.00	63,764,868	98.43
1939	649,123	968,036,602	1,491	147,434,575	227.13	116,354,424	179.25	56,436,971	86.94
1940	648,098	(2)959,188,474	1,480	132,913,453	205.08	109,780,968	169.39	53,896,085	83.16
1941	655,751	949,360,937	1,448	120,985,432	184.50	97,697,686	148.99	47,304,198	72.14
1942	669,130	(3)951,014,688	1,421	109,730,883	163.99	86,705,177	129.58	41,428,463	61.91
1943	674,285	(4)958,702,964	1,422	103,202,435	153.05	80,025,482	118.68	39,549,590	58.65
1944	676,887	(5)954,926,455	1,411	90,411,114	133.57	70,082,484	103.54	34,558,860	51.06
1945	681,802	953,089,248	1,398	83,244,259	122.09	64,783,022	95.02	33,105,264	48.56
1946	696,555	961,374,902	1,380	72,157,545	103.59	56,011,707	80.41	28,158,717	40.43
1936- 1946	Increase 7.92%	Decrease 1.61%	Dec. 8.85%	Decrease 59.02%	Dec. 62.02%	Decrease 62.59%	Dec. 65.33%	Decrease 60.55%	Dec. 63.43%

- (1) After reduction in Assessment due to abolition of statutory authority of municipalities to tax the income of persons and personal corporations which became taxable by the Province under The Income Tax Act of Ontario, 1936, of \$35,269,406. Statutory authority to tax certain Corporation Income was retained.
- (2) 1940-1943 as revised re Corporation Income Assessments.
- (3) 1942-1946 include additions to assessments under 1942 re-enactment of Section 57a of The Assessment Act and subsequent amendments.
- (4) 1943-1946 include assessments re City-owned rented properties.
- (5) 1944-1946 do not include Corporation Income Assessments. The statutory authority to assess income of Corporations was suspended (6 Geo. VI, Ch. 1) for the duration of the War under Dominion-Provincial agreement and repealed entirely under The Assessment Amendment Act, 1947.
- (6) Total Net Debt is computed by deducting all Sinking Funds from Total Gross Debt.
- (7) Net General and Education Debt is computed by deducting from Total Gross Debt
(a) The net debt of Specially-rated and Revenue-producing Services and (b) All Sinking Funds (see page 6).

STATEMENT OF OPERATIONS OF SINKING FUND

For Year Ended December 31st, 1946—(See Text Page 16)

Particulars	Total Sinking Fund	Actuarial Sinking Fund	Additional Sinking Fund (over Actu- arial Re- quirements)
Balance at December 31st, 1945.....	\$18,461,237.35	\$18,380,456.98	\$ 80,780.37
Add—Accretions during year:			
Annual levies.....	305,483.88	305,483.88	
Earnings on investments.....	747,961.94	556,945.00	191,016.94
Total Accretions.....	1,053,445.82	862,428.88	191,016.94
Total.....	\$19,514,683.17	\$19,242,885.86	\$271,797.31
Deduct—Dispositions during year:			
Debentures redeemed before maturity.....	\$4,354,700.00		
Discount.....	187,031.54		
	\$4,167,668.46		
Less: Capital Funds applied thereto.....	727,237.02	3,440,431.44	3,292,360.34
Total Dispositions.....	3,440,431.44	3,292,360.34	148,071.10
Balance at December 31st, 1946.....	\$16,074,251.73	\$15,950,525.52	\$123,726.21

BALANCE SHEET OF SINKING FUND AS AT DECEMBER 31st, 1946

Assets		Liabilities	
Debentures:		Accumulated Sinking Fund, actuarially determined to redeem at maturity the City's entire Sinking Fund Debt.....	\$15,950,525.52
City of Toronto	\$ 6,828,011.16		
Dominion of Canada.....	8,580,909.50		
Province of Ontario.....	336,428.68		
Province of Quebec.....	99,761.00		
	\$15,845,110.34	Additional Sinking Fund (over actuarial require- ments)—	
Less: Investment adjust- ments in suspense.....	136,891.75	On City's Account.....	\$ 7,181.54
Net Book Value (Par Value, \$15,899,541.75).....	15,708,218.59	On Toronto Hydro-Elec- tric System Account.....	116,544.67
Cash in Banks.....	265,873.49		123,726.21
Accrued interest on invest- ments.....	171,746.48		\$16,074,251.73
	\$16,145,838.56	Realization Capital Funds on deposit in Sinking Fund	71,586.83
			\$16,145,838.56

Treasury Department, January 10th, 1947.

G. A. LASCELLES, City Treasurer.

I have completed the audit of the Books and Accounts of the Sinking Fund of the City of Toronto for the year ended December 31st, 1946, and certify that the attached Balance Sheet and Statement of Operations are, in my opinion, drawn up properly so as to disclose the financial position of the Fund as shown by the Books as at December 31st, 1946, and according to the information and explanations given to me. I have verified the Securities by inspection and the Bank Balances by certificates from the Banks.

Department of Audit, May 8th, 1947.

S. C. SCOTT, F.C.A., City Auditor.

CITY DEBENTURE DEBT REDEEMED, 1919-1946, BEFORE MATURITY

Services	Debentures Redeemed before Maturity
Affecting Taxation:	
(1) Reducing General Tax Rate:	
General Services.....	\$22,126,570
Parks, Sewers, Bridges, Hospital Building Grants, City's Share of Local Improvements, etc.	
Revenue-Producing Services.....	9,522,772
Waterworks, Exhibition Buildings, Radials, etc.	
(2) Reducing Board of Education Tax Rate—Schools.....	\$31,649,342 7,579,589
Reducing General and Board of Education Tax Rates.....	\$39,228,931
Not Affecting Taxation:	
Toronto Hydro-Electric System and Toronto Transportation Commission.....	6,959,888
Ratepayers' Share of Local Improvements (levied for).....	920,239
Total Debenture Debt Redeemed 1919-1946, before Maturity.....	\$47,109,058

NOTE: See resultant cancellation of Debt Charges in following Statement.

**DEBT CHARGES (PRINCIPAL INSTALMENTS, SINKING FUND LEVIES
AND INTEREST) CANCELLED BY REDEMPTIONS 1919-1946 OF
DEBENTURE DEBT BEFORE MATURITY**

Years Benefiting	Debt Charges Cancelled—Reducing Taxation			Debt Charges of Toronto Hydro-Electric System and Toronto Transportation Commission Cancelled	Total Debt Charges Cancelled
	Reducing General Tax Rate	Reducing Board of Education Tax Rate	Reducing Total Tax Rate		
1920-1924	\$1,069,297	\$ 21,209	\$1,090,506	\$.....	\$1,090,506
1925-1929	3,530,462	293,377	3,823,839	53,232	3,877,071
1930	651,339	81,075	732,414	183,752	916,166
1931	717,065	102,682	819,747	304,966	1,124,713
1932	678,207	100,987	779,194	213,647	992,841
1933	903,296	123,728	1,027,024	302,499	1,329,523
1934	916,614	128,598	1,045,212	373,506	1,418,718
1935	921,173	138,377	1,059,550	378,681	1,438,231
1936	977,483	147,032	1,124,515	418,738	1,543,253
1937	971,734	164,660	1,136,394	395,096	1,531,490
1938	961,561	174,562	1,136,123	399,968	1,536,091
1939	1,067,785	183,290	1,251,075	355,558	1,606,633
1940	1,192,227	197,107	1,389,334	404,327	1,793,661
1941	1,106,945	208,292	1,315,237	419,948	1,735,185
1942	1,097,479	243,476	1,340,955	294,605	1,635,560
1943	1,077,543	254,733	1,332,276	236,969	1,569,245
1944	916,958	266,917	1,183,875	194,139	1,378,014
1945	861,360	249,641	1,111,001	206,373	1,317,374
1946	901,711	231,094	1,132,805	222,264	1,355,069
1947	1,146,619	303,305	1,449,924	268,212	1,718,136
1948	863,083	212,043	1,075,126	166,461	1,241,587
1949	345,463	19,919	365,382	134,451	499,833
1950-1954	944,893	113,527	1,058,420	459,076	1,517,496
1955-1959	363,407	73,427	436,834	.....	436,834
1960-1963	51,276	59,734	111,010	.....	111,010
1920-1963	\$24,234,980	\$4,092,792	\$28,327,772	\$6,386,468	\$34,714,240

CANADIAN NATIONAL EXHIBITION ASSOCIATION

J. ARDAGH SCYTHES—PRESIDENT 1947 ELWOOD A. HUGHES, O.B.E.—GENERAL MANAGER
Appointed—April 15th, 1934

The Canadian National Exhibition Association is composed of representatives of every branch of agriculture, commerce and industry throughout the Dominion, while the City is represented on the Board of Directors by the Mayor and seven members of the City Council.

The permanent buildings, valued with plant and equipment at over twenty-one million dollars, are located in Exhibition Park, which consists of 350 acres within the City limits and extends for a mile and a half along the shore of Lake Ontario.

All Capital Expenditures, after approval by the City Council, are financed by the issue of City of Toronto Debentures and the annual operating surplus is paid over to the City, thereby reducing the amount to be raised by taxation for debt and maintenance charges incidental to the buildings and the maintenance cost of the grounds.

Up to and including 1941, the Exhibition had been held annually for sixty-three consecutive years. While the use of the buildings and grounds was offered to the Dominion Government for military purposes at the outbreak of War in 1939, such facilities for some time were only partially required and although the holding of the Exhibition in 1940 and 1941 entailed some interruption in their use for military purposes, it was agreed that the Exhibition was contributing in many respects to the War effort. Early in 1942, however, the City and the Association, at the request of the Department of National Defence, made the buildings and grounds available for continuous occupation by the armed forces and accordingly suspended the annual exhibitions from that time. Since the termination of the War, the rehabilitation of the buildings and grounds has been actively proceeded with in preparation for the resumption in 1947 (August 22nd to September 6th) of the annual exhibitions.

ROYAL AGRICULTURAL WINTER FAIR ASSOCIATION

JAMES A. NORTHEY.—PRESIDENT, 1947
WILLIAM ARTHUR DRYDEN (President 1919-1923)—MANAGING DIRECTOR
Appointed—October 1st, 1936

Membership in the Royal Agricultural Winter Fair Association includes approximately 400 representatives of the Dominion and Provincial Governments, the City of Toronto, agricultural and livestock associations, meat packing and other industries in Canada.

City of Toronto debentures were issued from time to time to cover the cost of the various buildings which were erected at a cost of three and one-half million dollars and occupy a floor area of twenty-five acres; the relative principal and interest charges have been met in the City's General Tax Rate and by annual grants of the Dominion and Ontario Governments.

The Fair, recognized as one of the most outstanding agricultural and pure-bred livestock exhibitions, was held until 1939 in November of each year. With the outbreak of War in September, 1939, however, the several large permanent buildings were required for the balance of that year and during the subsequent six years for the billeting and training of troops, with the result that the annual Fair was not held in that period.

Though considerable work was required in the alteration and renovation of the interior of the buildings and in the installation of special equipment, it was found possible to resume the holding of the annual Fair in November, 1946. The number of exhibits generally were larger than anticipated and in some cases even exceeded the highest in previous years. The international character of the Horse Show was maintained by entries of army officers' teams from the United States, Peru and Mexico. Attendance established a new high record.

**CANADIAN NATIONAL EXHIBITION AND ROYAL AGRICULTURAL WINTER FAIR—
CITY'S ACCOUNT**

For the Year Ended December 31st, 1946

NOTE: As the financial arrangements made in 1942 with the Dominion Government in connection with the occupation by the armed forces of Exhibition Park largely obtained during 1946, the City's accounts with respect to the Canadian National Exhibition and the Royal Agricultural Winter Fair have been merged in the following statement as in the years 1942-1945.

EXPENDITURE		REVENUE	
Maintenance:		Payments on Account of Maintenance by	
Grounds.....	\$ 40,602.07	<u>Dominion Government re Occupation</u>	
Buildings:		<u>by Armed Forces:</u>	
C.N.E.....	\$ 18,307.93	Grounds.....	\$ 12,532.90
R.A.W.F.....	14,439.70	Buildings.....	9,980.72
	32,747.63	Insurance.....	4,668.42
Insurance:			
C.N.E. Buildings.....	\$ 10,220.18		
R.A.W.F. Buildings.....	1,368.75		
	11,588.93		
	\$ 84,938.63		\$ 27,182.04
Debt Charges:		Payments on Account of Debt Charges:	
C.N.E.....	\$197,019.50	<u>By Dominion Government:</u>	
R.A.W.F.....	84,450.00	<u>Account Occupation by</u>	
	281,469.50	Armed Forces—1946.....	\$125,000.00
		<u>By Provincial Government:</u>	
		Annual Grant of one-half	
		Debt Charges under B.L.	
		13711—Horse Palace.....	25,755.00
			150,755.00
		R.A.W.F.—Operating Surplus, 1946.....	10,000.00
		Net Cost to City for 1946.....	178,471.09
	\$366,408.13		\$366,408.13

DEBENTURE DEBT—December 31st, 1946

<u>C.N.E. Buildings:</u>		
Gross Debenture Debt.....	\$ 785,200.00	
Less: Sinking Fund on hand for redemption of		
debt.....	155,780.80	
		\$ 629,419.20
<u>R.A.W.F. Buildings:</u>		
Serial Instalment Debentures.....		319,000.00
Net Debenture Debt.....		\$ 948,419.20

TORONTO MUNICIPAL ABATTOIR AND COLD STORAGE

EARL E. HUNT—COMMISSIONER

Appointed—May 15th, 1933

This service was inaugurated August 4th, 1914, to the end that the many small slaughter houses located throughout the City at that time might be eliminated, together with their attendant disagreeable features, and that the slaughtering of food animals could be centralized in a modern sanitary building, and all products more readily and efficiently inspected under the Meat and Canned Foods Act, supervised by the Dominion Government Department of Agriculture. The large cold storage plant is at the service of the citizens at all times, and food products in any quantity are accepted for storage at reasonable rates.

The statement hereunder indicates that revenues in 1946 covered all operating expenditures, including principal and interest charges with respect to debenture debt, and, in addition, provided a surplus of \$7,101.05 for application against general City expenditures. The comparable surplus in 1945 was \$19,527.92.

In connection with the decreased surplus of 1946, it may be noted that the debenturing in December, 1945, of \$69,955.00 expenditure for certain improvements to buildings and equipment installations entailed full annual debt charges (principal and interest) of \$15,396.67 in 1946 against only a very minor interest charge on that account in 1945.

MUNICIPAL ABATTOIR REVENUE AND EXPENSE

For the Year Ended December 31st, 1946

Expenditure		Revenue	
Operation and Maintenance.....	\$171,834.62	Gross profit on merchandise sold, killing, cooler and cold storage charges, rentals, etc.....	\$202,960.18
Debt Charges.....	24,024.51		
Surplus for Year.....	7,101.05		
	\$202,960.18		\$202,960.18

DEBENTURE DEBT—December 31st, 1946

Gross Debenture Debt.....	\$ 78,000.00
Deduct: Sinking Fund on hand for redemption of debt.....	19,398.47
Net Debenture Debt.....	\$ 58,601.53

WATERWORKS

The waterworks system has been municipally owned and operated since 1873. The administration, operation and property of the system are under the control of the Commissioner of Works, while the financing and the collection of revenue are directed by the Commissioner of Finance. All maintenance and operating charges and all debt charges (principal instalments, sinking fund levies and interest) are provided from revenues derived and the annual surpluses are applied in abatement of general taxes.

The revenue for the year 1946 was derived as follows:

Tariff (flat rate).....	\$1,683,935	40.88%
Meter Rates.....	2,271,370	55.14%
Fire Protection (\$15 per Hydrant).....	161,920	3.93%
Rentals.....	2,224	.05%
Total Revenue.....	\$4,119,449	100.00%

While the revenue from meter rates is more than half of the total revenue of the waterworks system, the following division of accounts indicates that the number of customers so supplied represents only 6.37% of the total customers of the system.

Tariff (or flat rate) accounts.....	124,665	93.63%
Meter accounts.....*	8,477	6.37%
	133,142	100.00%

*Includes 3,102 water meters privately purchased and owned by customers and 5,375 water meters installed and owned by City.

It should be noted that the large revenue from meter rates in relation to the number of customers on meter is due to the fact that large commercial, industrial, and certain adjacent municipal corporations, with respect to which the determination of an equitable tariff charge is practically impossible, are supplied through City-owned meters.

WATERWORKS REVENUE AND EXPENSE

For the Year Ended December 31st, 1946

Expenditure		Revenue	
Operation and Maintenance.....	\$1,525,594.54	Water Rates:	
Rating and Revenue Collection.....	157,106.76	Water Takers.....	\$3,893,555.54
Debt Charges.....	1,716,526.46	City Service.....	223,670.28
Surplus for Year.....	720,221.60	Sundry Rentals.....	2,223.54
	\$4,119,449.36		\$4,119,449.36

DEBENTURE DEBT—December 31st, 1946

Gross Debenture Debt re Waterworks Plants, Mains, etc.....	\$16,511,789.12
Deduct: Sinking Fund on hand for redemption of debt.....	3,551,058.05
Net Debenture Debt.....	\$12,960,731.07

TORONTO HARBOUR COMMISSIONERS

Commissioners

THOMAS RENNIE, CHAIRMAN

P. J. MULQUEEN
(Deceased, Dec. 21st, 1946)

B. J. MILLER

W. H. BOSLEY, O.B.E.

T. FRANK MATTHEWS

M. D. KINSELLA, M.D., C.M., F.A.C.S. (Appointed April 1st, 1947)

F. R. SCANDRETT, B.A.Sc., GENERAL MANAGER

Appointed—January 1st, 1946

E. L. COUSINS, C.B.E., C.E., CONSULTANT

The Toronto Harbour Commissioners' Act (1911), a special statute of the Dominion Government, provides for the appointment of five Commissioners to administer and develop the Port and Harbour of Toronto and the waterfront properties deeded to them by the City. Three of the five Commissioners are appointed by the City Council and two by the Dominion Government, one of the latter upon the recommendation of the Toronto Board of Trade. The statute authorizes the Commissioners to borrow money by the issuance of debentures for the purposes of reclamation work and general improvements.

Special statutes of the Province of Ontario Legislature (1911, 1913 and 1938) authorize the City to guarantee all debentures issued by the Harbour Commissioners. Before doing so, however, the City Council requires that the capital expenditures involved shall meet with its approval.

TORONTO HARBOUR COMMISSIONERS' DEBENTURE DEBT

(Guaranteed by City of Toronto)

As at December 31st, 1946

Year of Maturity	Coupon Interest Rate	Amount	Year of Maturity	Coupon Interest Rate	Amount
1947	2½%	\$ 805,000	Brought Forward.....		\$12,982,000
1947	3%	7,500,000	1953	2½%	63,000
1947	3½%	650,000	1953	3%	743,000
1948	2½%	337,000	1953	4½%	1,000,000
1948	3%	468,000	1953	5%	2,000,000
1949	2½%	337,000	1954	2½%	63,000
1949	3%	468,000	1954	3%	275,000
1950	2½%	62,000	1955	2½%	63,000
1950	3%	743,000	1955	3%	275,000
1951	2½%	63,000	1956	3%	275,000
1951	3%	743,000	1957	3%	275,000
1952	2½%	63,000	1958	3¼%	275,000
1952	3%	743,000	1959	3¼%	275,000
			1960	3¼%	275,000
Carried Forward.....		\$12,982,000	1961	3¼%	275,000
			1962	3¼%	275,000
Total.....					\$19,389,000

The City, under its guarantee, has met debt charges of \$16,252,107 to December 31st, 1946 and will continue this policy until Harbour revenues are sufficient to fully meet such obligations. As against this outlay, the City, from 1912 to 1946, inclusive, has derived approximately \$15,149,380 in taxes from occupied Harbour properties. In addition, the Harbour Commissioners, during the same period, paid local improvement taxes of about \$2,172,205.

The assessed value of occupied Harbour properties including land, building and business assessments, was approximately \$27,829,990 at the end of 1946.

CIVIC AIRPORTS AT TORONTO ISLAND AND MALTON

Pursuant to a decision of the City Council in 1937, two Municipal Airports were established: (a) the Island Airport as a combined airport and seaplane base, and (b) an all-weather Airport at Malton, approximately 17 miles northwesterly from the Union Station; the construction work and administration of the airports being conducted by The Toronto Harbour Commissioners. The original expenditures for the airports at the Island and Malton totalled \$1,951,345, of which the City of Toronto contributed \$986,779, the Dominion Government \$514,566 and the Provincial Government \$450,000.

The Island Airport (officially named "Port George VI, Toronto Island Airport"), comprising 177 acres, is an "all way" field having four flightways 3,000 feet long and 500 feet wide, two of which have been paved to a width of 150 feet for their full length. The Airport is equipped with an Administration Building, hangars, field lighting system, seaplane ramp, low dock and passenger float.

The Malton Airport (officially named "Bishop Field, Toronto Airport, Malton"), comprising 1,444 acres, was acquired for airport and zoning purposes, the objective being to use the zone-controlled areas for industrial development. Provision was made for flightways covering eight points of the compass, 9,000 feet long and 1,000 feet wide with permissible paved runways 5,000 feet in length and upwards. Since November, 1938, the airport field (693 acres) has been leased to the Dominion Government at a nominal rental, the lessee assuming the operation costs thereof. Up to the present three runways have been paved to a width of 150 feet, for lengths (including extensions and additions made by the lessee) of 4,600 feet, 4,900 feet and 5,000 feet respectively. The Airport is equipped with an administration building, field lighting system, meteorological offices, radio, etc.

Air service between Toronto and principal Canadian and American cities is provided by regular scheduled flights of Trans-Canada Air Lines and American Airlines to and from this airport.

Of the zone-controlled areas, approximately 108 acres were purchased by the National Steel Car Corporation Limited and 15 acres by Canadian Associated Aircraft Limited. These sites, with two aircraft plants constructed thereon, were expropriated by the Dominion Government during the War and the plants were operated by Victory Aircraft Limited, a Crown Company. Since the termination of the War these lands and plants have been leased to A. V. Roe, Canada, Limited. Trans-Canada Air Lines leased 2½ acres adjoining the landing field and erected a hangar and workshop thereon.

CIVIC AIRPORTS REVENUE AND EXPENSE

For the Year Ended December 31st, 1946

Expenditure		Revenue	
Debt Charges (Island and Malton Airports).....	\$67,178.76	Malton Airport (Service Fees, etc., less Expenses)...	\$605.70
Island Airport—Operating Deficit.....	6,573.10	Net Cost to City for 1946....	73,146.16
	\$73,751.86		\$73,751.86

DEBENTURE DEBT—DECEMBER 31st, 1946

Debenture Debt—Serial Instalment Debentures, maturing 1947 to 1960.....	\$702,000.00
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TORONTO HYDRO-ELECTRIC SYSTEM

Commissioners

LOFTUS H. REID, CHAIRMAN

BERTRAM MERSON,
Vice-Chairman

ROBERT H. SAUNDERS, C.B.E., K.C.,
(MAYOR)

E. M. ASHWORTH, GENERAL MANAGER

Appointed—April, 1924

The Toronto Hydro-Electric System is owned by the City of Toronto, and operated by qualified executives under the direction of the Toronto Electric Commissioners, a body composed of three members—an appointee of the City Council, an appointee of the Hydro-Electric Power Commission of Ontario, and the Mayor (ex-officio member). Power is purchased from the Hydro-Electric Power Commission of Ontario, and in turn sold to consumers for residential, commercial and industrial purposes.

Capital expenditures, after approval by the Hydro-Electric Power Commission of Ontario and by the City Council, are financed by the issue of City of Toronto debentures or by the reinvestment of reserves. The total debentures issued up to December 31st, 1946, amounted to \$34,583,000, of which \$28,059,600 have been redeemed at or before maturity. In addition, funds to the amount of \$4,082,011 are on deposit with the City Treasurer for the retirement of Sinking Fund debentures at maturity, making the net debenture debt of the System, as at December 31st, 1946, \$2,441,389.

The System also provided funds to the amount of \$454,172 for unmatured debt redemption as at December 31st, 1946.

In addition to the capital expenditures financed by the issuance of the above debentures, the Commissioners have reinvested reserves and surplus in further extensions and improvements to the System, with the result that Fixed Assets as at December 31st, 1946, amounted to \$41,017,436.

The System has always been self-supporting and while it does not operate as a profit-creating organization, the rates are designed with a view to stability. During the entire period since the commencement of operations in 1911, the System has met all debt charges (principal instalments, sinking fund levies and interest), and after providing for the replacement of all equipment at the end of its useful lifetime, a moderate surplus has resulted.

The rates charged for lighting and power (including industrial electric heating) are among the lowest on this continent, the average cost to the consumer for lighting purposes in 1946 being 1.07 cents per Kilowatt hour and for industrial power purposes \$20.65 per horsepower.

TORONTO HYDRO-ELECTRIC SYSTEM

CONDENSED BALANCE SHEET AS AT DECEMBER 31st, 1946

ASSETS		LIABILITIES		
Fixed Assets	\$41,017,435.53	Net Debenture Debt:		
<i>Transmission and Distribution Systems, Lands, Buildings, etc.</i>		Debentures issued by City, less: redeemed to date and 3% Sinking Funds on hand.....	\$ 2,557,933.21	
Current Assets	3,590,642.91	Less: Additional Sinking Funds over 3%	116,544.67	\$ 2,441,388.54
<i>Stores and Appliances, Accounts Receivable, Cash on Hand and in Banks, etc.</i>				
Reserve Funds Invested ...	11,478,600.00	Current Liabilities		961,223.83
Dominion of Canada Bonds owned.		<i>Accounts Payable, Interest Accrued.</i>		
/		Capital Reserves:		
		Depreciation re Fixed Assets.....	\$15,077,404.49	
		Reserve re Debt Redemption.....	28,309,326.39	43,386,730.88
/		Operating Reserves and Surplus ...		9,297,335.19
		<i>Reserved for Workmen's Compensation, Public Liability, etc.</i>		\$56,086,678.44
	\$56,086,678.44			
Interest in Hydro-Electric Power Commission	29,183,587.60	Interest in Hydro-Electric Power Commission		29,183,587.60
<i>Sinking Fund Equity in Hydro-Electric Power Commission of Ontario.</i>		<i>Reserve for Sinking Fund Equity in Hydro-Electric Power Commission of Ontario.</i>		
TOTAL ASSETS	\$85,270,266.04	TOTAL LIABILITIES		\$85,270,266.04

DISTRIBUTION OF ENERGY CONSUMED IN 1946

	Kilowatt Hours
Commercial Power.....	574,000,000
Residential Lighting.....	457,000,000
Commercial Lighting.....	260,000,000
Street Railway.....	157,000,000
Municipal (including Street Lighting and Waterworks).....	91,000,000
Total Current Consumed	1,539,000,000

TORONTO TRANSPORTATION COMMISSION

Commissioners

WM. C. McBRIEN, CHAIRMAN

WM. CROFT, VICE-CHAIRMAN

W. G. RUSSELL

H. C. PATTEN, GENERAL MANAGER

Appointed—December 20th, 1938

By a special Act of the Ontario Legislature in 1920: (a) The City of Toronto was empowered to transfer, by by-law, the control, maintenance, operation, and management of all transportation facilities owned or acquired by the City to the Toronto Transportation Commission; (b) such Commission to be composed of three Commissioners appointed by the City Council for a period of at least three years, members of Council not being eligible for appointment; (c) and fares must be sufficient to make all transportation facilities self-sustaining after providing for maintenance, renewals, depreciation and debt charges.

In 1921 at the expiration of the franchise, the City acquired the assets of the Toronto Railway Company, and upon authority of the above Act transferred control of this property and other City-owned car lines to the Toronto Transportation Commission.

Capital requirements for buildings, equipment and extensions, after approval by the City Council, are provided by the issue of City of Toronto Debentures, but since 1924 all new capital expenditures have been provided by reinvestment of the earned reserves of the Commission. The following debenture debt has been issued to date for transportation purposes, the debt charges on which are met by the Commission:

Year of Issue	Purpose of Issue	Amount Issued
1911-1917	Construction and Equipment of Civic Car Lines.....	\$ 2,502,341
1921-1924	Acquisition of assets of Toronto Railway Company; and rehabilitation and extension of unified System....	39,874,000
1922-1927	Radial Railways.....	1,686,000
	Original Amount of Debentures Issued.....	\$44,062,341
	Deduct: Debentures redeemed at maturity and before maturity....	34,733,341
	Gross Debenture Debt December 31st, 1946 (Serial Instalment Bonds, \$9,327,000; Sinking Fund Bonds, \$2,000).....	\$ 9,329,000
	Deduct: Sinking Funds held by City Treasurer.....	*1,848
	Net Debenture Debt as at December 31st, 1946.....	\$ 9,327,152

*Additional funds of \$685,767 for redemption of debt due in 1947 (accrued) had been provided by the Commission.

Further extensions have been financed by the reinvestment of reserves, with the result that land, buildings, rolling stock, track work and other fixed assets had an aggregate original investment value of \$55,466,133 as at December 31st, 1946. In this total is included \$4,074,186, the value of motor coaches and other fixed assets of the Gray Coach Lines, Limited, a fully-owned subsidiary of the Commission, operating in the City and to surrounding communities. At the present time the Commission owns 240 miles of track, 972 rail passenger cars, 432 buses and motor coaches, 70 rail service cars and 56 motor service vehicles.

<p style="text-align: center;">TORONTO TRANSPORTATION COMMISSION</p> <p style="text-align: center;">CONDENSED BALANCE SHEET AS AT DECEMBER 31st, 1946</p>			
ASSETS		LIABILITIES	
Fixed Assets	\$55,466,132.98	Net Debenture Debt	\$ 9,327,151.70
<i>Trackwork, Rolling Stock, Electrical System, Motor Buses, Land, Buildings, etc.</i>		<i>Debentures issued by City of Toronto less amount redeemed to date and Sinking Fund on deposit with the City Treasurer.*</i>	
Invested Funds	21,761,383.39	Reserve for Depreciation	44,460,089.19
<i>Government and Municipal Bonds owned.</i>		Other Reserves and Surplus	26,886,195.23
		<i>For Workmen's Compensation and Public Liability, Foreign Exchange, Outstanding Tickets, etc.</i>	
Current and Working Assets	*5,513,526.82	Current Liabilities	2,067,607.07
<i>Cash, Advances to Conductors and Agents, Accounts Receivable, Stores and Pre-paid Expenses.</i>		<i>Accounts Payable, Interest Accrued.</i>	
TOTAL ASSETS	\$82,741,043.19	TOTAL LIABILITIES	\$82,741,043.19

*\$685,766.80 funds provided for accrued portion of debt due in 1947 are included in Current Assets and are in addition to Sinking Funds on deposit with City Treasurer.

The Commission has a modern system of transportation with the latest type of steel street cars and buses, completely equipped car houses and shops for repair and maintenance; has adequately provided for depreciation and reserves for all operating contingencies; and has met all debt charges (principal instalments, sinking fund levies and interest charges) on debenture debt. This very satisfactory record has been accomplished on an average fare of slightly over 6 cents (with free transfer privileges), one of the lowest on this continent for cities of over 50,000 population.

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